THE FINANCIAL POST
OF CANADA

The Canadian Newspaper for Investors

VOL. XI. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE: TORONTO, JUNE 2, 1917 ANNUAL SUBSCRIPTION $3.00. No. 22

SOME HOPE FOR A REORGANIZED NATIONAL GOVERNMENT IN CANADA

Interest in the Country's Affairs Seems to Centre on Activities of Professional Politicians.

BUT SOME BUSINESS MEN MAY BE CALLED

Experienced Men And Specialists Are Consulted And Used In United States But Not In Canada. Metropolitan Dailies Fail To Grasp The Big Problems. Editors Lack Vision As to Larger Issues.

AT LAST there is every hope of a reorganization of our National Government. For two years and eight months THE FINANCIAL POST has been presenting the views of its readers—the class of Canadians who have the greatest interest at stake in the country. We have pointed out that, if we would win the war, with the least possible loss of life and expense, and successfully prepare for the fearful burdens that are to follow, we must conscript our ablest men to fill the Cabinet positions and to head our national working committees.

We urged Sir Robert Borden, particularly, to replace in his Cabinet the Ministers of Trade, Agriculture, Labor and Immigration, by the biggest executives in Canada. These Ministers, who have shown themselves to be men of high character and anxious to do what is right, were utterly helpless and incompetent when it came to doing things and getting things done. We showed last week, in the matter of food production, in which Canada and England had fallen down lamentably, that when Lloyd George took hold, he put proved business men in charge. Though the acreage in England, in wheat, was to be 250,000 short, these business executives, not only saved the situation, but they got 1,000,000 fresh acres under cultivation. Not only this, but they are making arrangements now for the 1918 crops, under which they will have 3,000,000 fresh acres.

In New York State last autumn they called in the assistance of financiers and big business men, with the result that the acreage planted in foodstuffs this year will be 30 to 50 per cent. above normal.

These experiences prove what can be done by having the right men, and the business men and financiers of Canada are just as capable as their allies in England and New York.

Suppose Sir Robert Borden had acted in 1914 on the pleadings of THE FINANCIAL POST—and we know he was in accord with them—and put the Department of Agriculture under some big executive like, say, the late Sir Lyman Jones, he would have got about him practical executives from all over Canada, who would have had, by this time, perhaps, 5,000,000 additional acres under cultivation. Because we did not have a capable man at the head of our Department of Agriculture, the people of Canada have lost many millions of money from the extra acres; and many millions more from the fancy prices prevailing.

The Department of Trade has been equally helpless. In Labor, Mr. Crothers has lost the confidence of labor as well as capital.

Compare the work in these departments with the results achieved by Mr. Cochrane in Railways, and Mr. Reid in Customs. These two are experienced business men.

The lessons have not yet been thoroughly learned at Ottawa. They concede the need for a reorganization, and that there should be some business men included in the new Government; but newspaper gossip shows that professional politicians still have the call. There are a number of good business men in the House and Senate. They are all in accord with THE POST. Let them impress these views upon the political leaders. Create, if necessary, Cabinet jobs for the politicians who must be appeased; but let them insist the important portfolios of Agriculture, Labor, Trade and Immigration, are reorganized under the biggest men in the country.

WHY ASQUITH FAILED.

One of the reasons why the Asquith Government in England failed to accomplish things in the early days of the war—failed to do the things which might have ender the war before this—is given in a speech recently delivered by Lord Curzon. He pointed out that since Lloyd George came into power there had been 125 working days, and during that time there were 146 sittings of the War Cabinet. During the corresponding 125 days of the late Coalition Government there were only 59 sittings of the Cabinet and War Committee combined.

Sheldon Amos, the British munitions expert, with the Balfour mission, said his committee met every day in London, and, speaking in Washington, he impressed on the American Government the very great importance of meeting daily.

We can now understand why Lloyd George cried pitifully, "We are always too late."

Canada, too, has been "too late," because politicians have refrained from placing their resignations in the Premier's hands. Like Asquith, Grey and Churchill, it looks as if now they will have to get out.

NOISY NEWSPAPERS.

The noisy newspapers are now in their element. They are on the job, early and late. They are laying down platforms. They neglect the real things that count in winning the war and saving Canada from bankruptcy. Their lack of vision and petty criticism undermine public spirit and confidence. They would carry us into debts which we could never pay.

One of the most blatant of the impractical talkers is the Toronto *Telegram*. The things that Canada now most needs, they say, are the creation of two new Cabinet jobs—for food and shipbuilding—and Government ownership of the Grand Trunk and Canadian Northern Railways. The first two matters are clearly under the present Ministries of Trade, Agriculture and Marine, and they should attend to them. Government ownership would put some of the *Telegram's* pet politicians in powerful jobs, which is the extent of vision and ambition of the editor of that paper.

Our readers, who, like ourselves, have made a study of public ownership in Canada—basing their estimates on the capital outlay incurred on the building, equipment and maintenance of Government roads—arrive at no other conclusion than that the waste would bankrupt the country. Capital would withdraw and settlers would stay out. Right under the *Telegram's* eye, in Toronto, a short publicly-owned street railway runs behind about $500,000 a year. What would be the annual deficit of, say, 15,000 miles of national railway?

If the *Telegram* wants to do a great work let it take up the question of efficiency and economy in the public service. A National Committee, working under one of the present Ministers, is needed to investigate and stop the millions now wasted annually. Such a body on duty since the war began, could save in national taxation $10,000,000, perhaps $20,000,000, a year. We have given actual incidents. We will give more from time to time.

UNITED STATES SHOW US THE WAY.

Every day we have more evidences of the thorough way in which the Americans are going into the war. There, business men are encouraged. The daily newspapers do not accuse them of ulterior motives. Here, we consult professional politicians and waste time on noisy agitators. There, they are calling in the big men and giving them all the important executive

Continued on page 7.

TIMBER RESOURCES.

Canada Stands Third in the World's Nations in This Regard.

In a report just presented to the Federal Government, R. H. Campbell, Director of Forestry, states that Canada's timber resources are the third largest in the world. While he estimates the Canadian Supply at from 500,000,000,000 feet, board measure, he says that British Columbia's supply of this amounts to over 400,000,000,000 feet of commercial timber, or half the entire supply of the Dominion. This timber is confined to 50,000,000 acres, on which there is more large saw timber than in any other province.

LITTLE CHANGE IN SITUATION AS TO BUSINESS

Sane View of Conditions in U.S. Reflected in Canada.

There have been no developments during the past week to materially alter the generally satisfactory business outlook. Confidence continues that, though there has been evidence that advancing prices have to some extent checked consumption, there will be a continuance of industrial activity while the war lasts, at least, while the longer that production is devoted to war supplies and needs the greater will be the requirements for normal business after the war, and this should provide a factor in the process of readjustment. Increasing confidence in the situation in the United States has produced a favorable reflection. Also there has been nothing to change the more favorable light in which the developments in relation to the campaign and the shipping situation have recently been viewed.

Taking the securities market as a barometer there has been a better tone in evidence. The Canadian market has not fully reflected the buoyancy of New York, however, there has been evidence of renewed confidence, particularly in the steel stocks, and some gains have been recorded. Trading opinion is that there is a shortness of money and that the financial institutions are maintaining a conservative attitude towards anything like speculation. In the bond market there is also a marked shortage of investment funds, but it is expected that there will be some improvement after the American Liberty Loan has been closed.

In the United States business is evidently taking a sane view of the situation. On the one hand it is realized that war preparation means additional industrial activity, and that there is no need for the people to become alarmed or to hoard their funds. On the other hand the serious responsibility which has been assumed is not discounted and leading financial authorities are warning people that extravagance should be eliminated. They are pointing out that unnecessary production and unnecessary expenditures should be curtailed; this in order that more energy may be devoted to production of supplies which are vitally needed. The people are being asked to realize that there will be no unemployment and that there will be no reason why they should stint their normal requirements, but that they should be prepared for changing conditions in order that the available energies may be devoted to the best advantage for the national good.

Labor and Cost of Living.

In Canada both commodity prices and labor continue to advance. For the month of April the *Labor Gazette* reported forty changes as regards wages and hours; there were thirty-nine increases and one reduction of hours, while in one case there were both. Nearly 10,000 people were benefited directly by these changes. Machinists and metal workers were chiefly concerned. In the same period the index number in wholesale prices increased from 220.6 to 228.7, the latter figure comparing with 181.0 for the same month of the previous year. The increases were general with the exception of dairy products, where there was a small decline. In retail prices the cost of a family budget of staple foods advanced from $10.70 to $10.77 in the month, compared with $8.34 a year ago. Coal was slightly lower, but wood and oil and also rents were higher.

AUTHORITATIVE CONDEMNATION V.A.D. HOSPISALS

British Medical Journal Comes Out in Favor of Centralized System.

COL. BRUCE IS UPHELD

Point Made in First Bruce Report Receives Endorsation from Organ of the British Medical Profession.

The first report of Colonel Hubert Bruce in his capacity as Inspector-General of the Canadian Army Medical Service on conditions as he found them in England, strongly condemned the system by which wounded Canadians were sent all over the British Isles for treatment in isolated hospitals established in private homes. These V.A.D. hospitals were largely the result of the patriotic energy of society ladies who deserved every credit; but certain inefficiencies resulted from this system as is very strongly pointed out in Col. Bruce's report.

This report, it is worth recalling, was pigeonholed by the Government at Ottawa, until its publication in the FINANCIAL POST forced discussion of it. Shortly afterwards Sir Geo. Perley appointed a commission in England to consider and pass upon the Bruce report. The result was the Babtie report which took issue with Col. Bruce and, among other points of difference, refused to concur in his condemnation of the V.A.D. Hospitals. As a result of the Babtie report certain reforms, which had been started based on the Bruce recommendations were halted.

Col. Bruce's reply to the Babtie report is in the hands of the Government but, it has been announced will not be made public yet.

In the meantime consider the following editorial from the British Medical Journal, the mouthpiece of the British Medical Association, which appeared in the issue of Saturday, May 5th. It refers to the appeal of the Secretary of State for War, Lord Derby to meet the situation caused by the torpedoing of hospital ships by the enemy, and the necessity for increasing the hospitals abroad. In commenting upon this appeal, the British Medical Journal says:

"The needs of the military hospitals abroad are insistent, and it does not seem safe to assume that the military hospitals at home will feel any appreciable relief from the establishment of new units across the sea. The nursing members of the V.A.D. have already proved beyond a doubt their value to the base hospitals in France. Their zeal and devotion are beyond praise—that is well known to all who have seen them at work, and the same is true of the myriad ladies who pour out their time and energy in the service of the auxiliary hospitals at home. But in acknowledging the admirable way in which the amateur has supplemented the professional in military nursing, the question arises whether the time has not come for a review, in the interests of economy in both medical and nursing personnel, of the system of small scattered hospitals which has grown up. The War Office has recently invited County Associations to make new V. A. D. hospitals containing not less than forty beds for men or twenty for officers, but there can be little doubt that the multiplicity of small V.A.D. and private hospitals tends to cause overlapping, waste of effort, and uneconomical use of personel, both nursing and medical. All must respect the local sentiment which seeks to find expression in local work for the wounded; but we are living now in grim, practical times, and efficiency and economy on the largest scale are needed in every department of life—more, perhaps in the medical and nursing services than in any other. If this urgent need here and there overrides local sentiment, and deals rather roughly with individual susceptibilities, that price must be paid. If some of the smaller home hospitals were closed and others expanded and reorganized to take over their work, this would certainly set free a considerable number of trained as well as V.A.D. nurses who have gained experience

Continued on page 7.

ALGOMA TERMINALS.

Scripholders have another opportunity to Secure Bonds.

On behalf of the scripholders' committee of the Algoma Central Terminals, Limited, Mr. E. E. Ford has issued a circular in which it is stated that they have succeeded in making arrangements with the Algoma Central Terminals, Limited, by which those holders of scrip issued by the Canadian Agency, Limited, in respect of the five per cent. First Mortgage Bonds of the Terminals Company, who have not already exchanged their scrip, can exchange their scrip for fully-paid bonds of the Terminals Company to the full nominal amount.

WAR TAXES IN UNITED STATES ARE EQUITABLE

Judge Gary Tells of Methods to Place Burden on All Classes.

In Canada the burden of paying the country's war expenses has been placed upon those concerns which by their enterprise have entered into precarious undertakings in manufacture of war-time needs and have reaped substantial profits. The principle is wrong. It has the effect of strangling the very industries which have met the nation's needs in an hour of distress. We find that a different idea prevails in the United States. Judge Gary, president of the American Iron and Steel Institute recently said, in part:

"We can rightfully claim that the burden of taxation be equitably distributed; that all the people, after exempting the necessities of life, shall be compelled to contribute; and that there shall be no waste or extravagance in making expenditures. Taxes ought to be levied and distributed if possible so as to avoid clogging the channels of business prosperity. Classes should be obliterated, also politics, localities and religious differences during war times at least. Opportunity should be open to all; governmental burdens should be borne by all. I lately spent a few days in Washington, and it was my privilege to meet a number of men who in legislative halls or executive departments are serving their country; and it is certain that all are actuated by the motive to fairly represent and protect the best interests of the country and all the people."

ROLLING MILL FOR COAST

Plans Being Considered for Plant Near Vancouver

If present plans are carried through to maturity, the town of Port Moody situated at the upper end of Burrard Inlet, a few miles east of Vancouver, will soon have a big rolling mill and smelter. The promoters, headed by A. F. Bernstein, will agree to expend a sum of not less than $500,000 on a steel, rolling mill and smelting plant provided the civic authorities will bonus the industry to the extent of $200,000 when it has been shown that the promoters have carried out their part of the agreement. On the latter proposal the ratepayers will be asked to vote.

Discussing the proposed enterprise, Mayor MacKenzie stated that the council would not be required to put up any money until the plant was completed tested and running, the capacity at first being 75 tons per day. The agreement stipulates that the plant shall be electrically driven and shall contain not less than four iron ore smelters in addition to rolling mill, blast furnace and equipment for the conversion of pig iron and steel. The company must commence construction by August 1, the plant to be completed within one year. Vancouver and Seattle capitalists are behind the undertaking and it is stated that no stock will be placed on the local market in Vancouver. It is reported that the company controls extensive ore claims on Vancouver Island.

TRUST AND LOAN COMPANY.

For Year Ending March 31 Net Profits Amounted to £124,293.

Cable advices to the head office of the Trust and Loan Company of Canada at Montreal indicate that for this year ending March 31, the net profits amounted to £124,293. The reserve fund has been increased to £438,054, while the special reserve fund has been increased to £140,000.

ONTARIO SOWS 100,000 ACRES LESS EACH YEAR

Prof. Zavitz Estimates on the Provincial Situation.

FRUIT BLOOM VERY LATE

Wheat Acreage 10,000,000 in West—Good Growing Weather—Labor Situation Good—Tractors in Demand.

By F. M. Chapman,
Editor, Farmer's Magazine.

The necessity of greater production in Canada this year is being impressed upon the country by nearly every public body. The war's demands are going to make a scarcity for years ahead. Business men in Ontario are getting alive to the situation and arrangements are under way to liberate thousands of men for three weeks during the harvest, or for a more general output of power machinery for the farmer.

Crops are promising in all parts of the country. Warmer weather has set in and the well-rooted crops will forge ahead rapidly. A big acreage of beans is already in the ground and going in. Tractor plowing and cultivation in Ontario is helping greatly for larger buckwheat, corn, milet, potato and turnip crops.

Prof. Zavitz estimates that Ontario has been going behind in cultivated areas by 100,000 acres for each of the last four years, with no increase in live stock to keep pace with the increased pasture areas.

Later reports from the Prairie Provinces show a wheat acreage fully up to last year, with a bigger acreage of oats, barley and flax. Growth is vigorous and in many sections the grain is up several inches. The *Free Press*, of Winnipeg, allowed for a decrease in wheat acreage two weeks ago, calculating upon a total of 8,608,000 acres of land in wheat, as against a total of over 10,000,000 acres last year. More recent reports would show that the wheat acreage will equal if not exceed the ten million mark. Add to this the fact that the newly broken, summer fallowed and fall plowed acreages for 1916 surpassed those of the preceding crop by 375,000 acres, the outlook at present is a bright one for wheat yields.

The labor situation is apparently satisfactory. The C.N.R. weekly reports from Western Canada show a favorable supply. Ontario and the East are finding their needs well meet by the aid of the High School boys and city men who have returned to the farm for a six months' period.

Fruit production in Ontario is unduly retarded this year. Usually, says Mr. Percy Hodgetts, of the Fruit Branch, all blooming is over by June 1. This year the blossoms are not far enough advanced to tell anything about the crop. What reports are in, bespeak a light crop west of Toronto and a good crop east. But, says he, the light blooming may set us a very better yield than the extra heavy blooming of last year did.

Reports from the Department of Agriculture of B.C. indicate that the fruit crop and the general agricultural production of the Province this year will be heavy.

NEWS OF SECURITIES.

THE FINANCIAL POST'S review of the Canadian Security Markets will be found on pages 2, 3, 4 and 5, under the following heads: STEEL STOCKS, PULP AND PAPER, TEXTILES, MILLING, MINING, TRANSPORTATION, ELECTRIC RAILWAYS, LIGHT AND POWER. Other stocks, including general industrial and other securities not embraced in the foregoing groups are arranged in alphabetical order.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Steel of Canada	63	62
Consumers Gas	152½	152½
Quebec L. & Pr.	20	20
Steamships, pref.	81	81
General Electric	107¾	107¾
F. N. Burt, pref.	89	89
Dom. Steel	65	65
Can. Cement	64½	64
C. P. R.	160½	160½
Maple Leaf	105	105
Toronto Rails	79	79
War Loan (1937)	94¾	94¾
Do., (1925)	96½	96½
Do., (1931)	94½	94½
Union Bank	140	140
N. S. Steel	94	94
Coniagas Mines	3.72	3.70
Bell Telephone	141	140½
Dome Mines	11.50	11.50

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up, $16,000,000. Rest, $16,000,000.
Undivided Profits, $1,557,034.
Total Assets - - - $386,806,887.

BOARD OF DIRECTORS:
Sir Vincent Meredith, Bart., President
C. B. Gordon, Esq., Vice-President
R. B. Angus, Esq. Sir William Macdonald. Lord Shaughnessy, K.C.V.O.
C. R. Hosmer, Esq. A. Baumgarten, Esq. H. R. Drummond, Esq.
D. Forbes Angus, Esq. Wm. McMaster, Esq. Major Herbert Molson, M.C.
Harold Kennedy, Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor
Assistant General Manager—A. D. Braithwaite

Branches and Agencies { Throughout Canada and Newfoundland
Also at London, England
And New York, Chicago and Spokane in the United States

THE MERCHANTS BANK OF CANADA

Established 1864 *Head Office, MONTREAL*

President—Sir H. Montagu Allan, C.V.O. Vice-President—K. W. Blackwell.
Managing Director—E. F. Hebden. General Manager—D. C. Macarow.

Paid-up Capital	$ 7,000,000
Reserve Fund and Undivided Profits	7,421,292
Total Deposits	92,102,072
Total Assets	121,130,558

233 Branches and Agencies in Canada, extending from the Atlantic to the Pacific.

A GENERAL BANKING BUSINESS TRANSACTED

Special attention given to Collections. SAVINGS BANK DEPARTMENT AT ALL BRANCHES.

Commercial and Travellers' Letters of Credit issued, available and payable, respectively, in all parts of the world. Travellers' Cheques issued in convenient denominations, payable at par throughout the world.

TORONTO BRANCH, A. B. Patterson, Manager.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836 Incorporated by Royal Charter in 1840

Paid-up Capital - $4,866,666.66 Reserve Fund - $3,017,333.33

Head Office—5 GRACECHURCH STREET, LONDON
HEAD OFFICE IN CANADA—St. James Street, MONTREAL
H. B. MACKENZIE, General Manager

Advisory Committee in Montreal
SIR HERBERT B. AMES, M.P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.) and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE LONDON CITY & MIDLAND BANK LIMITED.

HEAD OFFICE: 5, THREADNEEDLE ST., LONDON, E.C. 2
FOREIGN BRANCH OFFICE: 8, FINCH LANE, LONDON, E.C. 3.

Subscribed Capital	$111,677,782.94
Paid-up Capital	23,266,202.34
Reserve Fund	19,466,400.00
Deposits (31st Dec., 1916)	$849,809,215.41
Cash Reserve	233,468,740.28

Sir EDWARD H. HOLDEN, Bart., *Chairman.*

THE STANDARD BANK OF CANADA

EST'D 1873

HEAD OFFICE - TORONTO
A GENERAL BANKING BUSINESS TRANSACTED

SAVINGS DEPARTMENT
AT ALL BRANCHES

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

Capital Paid Up - - - $4,000,000
Reserve Fund - - - 4,800,000

Head Office, Montreal

Besides its 98 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.

Edward C. Pratt, General Manager

NEWS OF SECURITIES—Better Tone Evident

STEEL

Market Still Narrow, but Improved Undertone Indicates Probable Reaction and Higher Prices.

By T. Bain, M.E., Editor Canadian Machinery.

Although there are signs of reviving interest in steel securities, there has been no great activity during the week. The market has again failed to respond to New York influence and trading has been narrow, although not to the same extent as last week. In other words, a better demand developed, but not so great as to cause any undue excitement. It is possible, however, that a reaction may set in at no distant date, and the market develop into a more buoyant condition, with an upward movement in prices. The improvement which has taken place in the New York list cannot help but eventually be reflected in Canada, while the fact that the United States is entering upon an era of greater business activity than ever before experienced, will also improve the tone of the market here.

War requirements dominate the steel market to such an extent that every other consideration is relegated to the background and private consumers are in a worse position than at any time since the beginning of hostilities. The congested condition at the mills in the States is getting worse and the shortage of steel is thus becoming more acute. The constantly increasing demands of the American Government are making it increasingly difficult for private consumers of iron and steel to cover their requirements. Some of the larger makers of finished products have practically had to withdraw from the market owing to the fact that Government demands have to be met first.

There is no let up in the demand for steel products. Some concerns are said to be refusing business because of the crowded condition of the mills. Premiums are being paid for good deliveries and several steel concerns who can take contracts for comparatively nearby deliveries are receiving fancy prices from consumers who are in urgent need of material. Some consumers are sending in orders for steel without any reference to price; so urgent is the need that price is a secondary consideration. This week prices of iron and steel bars and small shapes have advanced 25c per 100 lbs. Steel plates have also advanced but quotations are practically nominal. The situation as regards the supply of plates is getting tighter right along, and prices continue to advance rapidly. Canadian shipbuilding interests who are in the market for plates are having the greatest difficulty in obtaining material even at the fancy prices now current. It is understood that approximately 75 per cent of the plate mill capacity in the States is being used for shipbuilding.

Arrangements are being made for the united buying of steel for the American and Allied Governments. By co-ordination in this way it is hoped that all available resources will be utilized to the best advantage. No prices have been as yet announced under the new arrangement, but it is believed that nearer current prices will be paid than were originally fixed. One of the leading domestic producers of foundry pig iron is practically sold up for this year and has booked considerable tonnage for delivery during the first half of 1918. Quotations are unchanged but firm at $50. At Buffalo, the market continues very strong, with prices advancing.

	Close, May 23	Close, May 30	Change
Can. Car	28	28	..
Do., pref.	67	68¼	+ 1¼
Can. General	107½	107¾	+ ¼
Dom. Iron, pref.	90	90	..
Dom. Steel	60½	66¼	+ 5¾
Dom. Bridge	127	130	+ 3
N.S. Steel	92	95	+ 3
Steel of Can.	59	63	+ 4

DOMINION BRIDGE CO.

Influenced by the general trend of the steel stocks, since the bull movement in United States Steel, Dominion Bridge sold at 130 this week, thus continuing the advance which started in the stock last week. There will have to be some climbing yet, however, before Bridge gets within hailing distance of its high price of last year. The company is understood to be very busy at the present time. In addition to the work on the big centre span for the Quebec Bridge, which will be ready during August or September, the company has decided to engage in the manufacture of marine engines, and is also testing out the possibilities of various other lines.

FOUNDRIES AND FORGINGS.

A twenty-share lot of Canada Foundry and Forgings preferred changed hands at 84 this week, the first transaction in the preferred for over a year. The high of last year was 85. No sales of the common have been consummated recently. Plants of this company have now reached their maximum output. The forgings turned out by them are a very important factor in the munitions business of this country.

DOMINION STEEL.

At the meeting of directors of the Dominion Steel Corporation held in Montreal this week, J. K. L. Ross and Sir William D. Reid were elected directors, to fill the vacancies caused by the death of Hon. Robert Mckay and Hon. David Mackeen. Expectations on the Street that the directors would increase the dividend at the meeting were not realized. The regular dividend of 1 per cent., for the quarter was declared, payable on July 2nd to shareholders on record June 5th. The date of the annual meeting was fixed for June 14. The report of the company for the year ending March 31st showed net profits of $12,967,874 after deducting all charges and making provision for amortization and war taxes. This was an increase of 85 per cent. over the previous year. Net profits represented 26.71 per cent. on the common stock as compared with 9.39 per cent. in the 1916 period. The report and balance sheet are reviewed in another column.

CANADIAN CAR.

The annual statement of the Canadian Car and Foundry Co. for the year ending September 30, 1916, issued on May 30, shows combined profits after charging all expenditures for maintenance and renewals of plant and equipment of $1,292,105, compared with $321,849 the previous year. War munitions orders were the chief factors in operations during the year. Large expenditures of approximately $779,000 were necessary to enable a company to successfully engage in this work. These have been charged against earnings, and the sum of $600,000 was written off in a year. The profits from the Russian shell contracts have not been included in the earnings for the last fiscal year, but will be included in the statement for the current fiscal year ending September 30, next.

DOMINION FOUNDRIES & STEEL.

Dominion Foundries and Steel, Ltd., have declared a dividend on the common stock of 2 per cent., and the same on preferred stock, payable June 1st to shareholders on record May 28th, 1917. This apparently places the new company on an eight per cent. per annum dividend basis. The new company has been incorporated, and a substantial majority of shareholders of both old companies have submitted their stock, for exchange into the new stock. The rest of the shareholders are asked to deposit old stock for exchange at the office of the Mercantile Trust Company, Hamilton, Ont.

TEXTILES

Securities Hold up Well Though Trading Has Fallen Off—Wool Situation Serious

By H. H. Black, Editor Dry Goods Review.

Textile securities continue to maintain their position and in the main the quotations reference the high marks for the present year. In most cases the favorable annual statements caused stocks to advance and the suceeding weeks have seen only a slight decline in the record figures reached. In the same time the enlivened speculation has to a large extent abated.

On every side there is the same industrial report from the mills: inability to fill orders promptly as they have not yet recovered from the deluge of buying that swept over the trade last Fall. In the case of the cotton textiles the rising price of cotton is an unfavorable factor looking to future sales, although there is compensation for Canadian mills in the U. S. mills being tied up more or less on government orders.

In the case of the woolen mills a serious factor is entering in the situation, the scarcity of wool. Several months ago it was announced in FINANCIAL POST that arrangements had been made with the British Government for an allotment of the Australian clip. So far none of this has arrived. On Thursday of this week, FINANCIAL POST received the following statement from Mr. I. Bonner, general manager of Penmans Limited, who is a member of the Canadian Wool Commission:

"There is no wool in sight as yet from Australia although a certain portion has been allocated to this country. The shipping facilities will be one of the great drawbacks in getting this wool into Canada."

The situation is becoming serious. FINANCIAL POST was informed this week that the woolen yarn manufacturers had withdrawn from the market,—as it was useless for them to accept orders with no wool in sight. Until the wool supply became threatening the yarn mills were gaining on the surplus of orders they had received last year.

From the point of view of the holder of securities the situation will mean that the woolen mills may not be able to work to capacity and that the year 1917, which at one time promised to create a new record over 1916, may be unable to do so. The labor situation too must be kept in mind, for if conscription goes into effect, the scarcity will become even more acute.

The world's supply of wool seems certain to be low for a prolonged period. Since 1913, for instance, there has been a reduction in the sheep in Australia from 85,096,859 to 69,781,303 and a decrease in bales of wool of 532,807. The price to be paid by the British Government for the Australasian, 1917, clip, if it commandeers it again as undoubtedly it will, is almost certain to be increased considerably. Another factor that will become felt increasingly in the world markets is Japan, which consumed 35,000,000 lbs. last year and has called for all available tops from Australia this year. The clip in the Antipodes is likely to be reduced till further this year by drought.

For the cotton textile mills the raw market is at last showing a steady upward tendency. In three weeks July prices rose from $19.14 to $21.80, and October from $18.36 to $21.40. In a year spot cotton has advanced from $12.90 to $22.10 and now holds a high record since the opening of the war.

In the stocks dealt in on the Exchange on Thursday the changes for the week were:

	Close, May 23	Close, May 31	Change
Can. Cottons	52¼	52	+ ¼
Do., pref.	80	79¾	— ¼
Dom. Textile	87½	88	+ ½

CANADIAN CONVERTERS.

The fiscal year of the Canadian Converters Company closed on April 30th, and the annual meeting of the company will be held on the second Wednesday in June. The financial statement, which will be dealt with in the next issue of THE FINANCIAL POST, will show a striking improvement over the previous year. The stock of the company was recently placed on a 4 per cent. basis, after a lean period following the war. The stock closed at 41 last week, but a 50-share lot changed hands at 40 this week. Later sales were made at 41.

CANADIAN COTTONS.

Sales both in common and preferred were light this week with a slightly lower tendency. A few in common brought 52, ¼ below last week's close, but a good average. The preferred sold at 79, 1 point below the close of last week.

DOMINION TEXTILE.

At the annual meeting of the Dominion Textile Company, held on Monday last, the directors and officers were re-elected as follows: President, C. B. Gordon; vice-president, Sir Herbert Holt; J. P. Black, C. R. Hosmer, John Baillie, W. A. Black and F. G. Daniels. Sir Herbert Holt, vice-president, presided at the meeting, in the absence of the president, C. B. Gordon. That the company has been looking after its employees this past year is shown by the voluntary granting of a war bonus equivalent to 5 per cent. of their wages. This went into effect on May 14. This increase makes a total advance of from 20 to 25 per cent. that the company has given since the beginning of the war. In addition, the company during the winter cut from its land and delivered to its employees 1,200 cords of wood at the cost of $1.50 per cord, which relieved the fuel situation at a period when it was becoming very acute in Montreal. This week the company delivered to the homes of its employes a carload of flour, at $6 per bag, which was over $2 below the market price at the time. At the present time the company is engaged in cultivating 40 acres of land which it is proposed to plant to potatoes and beans, which will be sold to its employes at the cost of production. Contracts have also been let for the cutting of 2,000 cords of wood, which will be delivered at cost. The heavy increases in cost of operation are shown by a statement in which wages exceed last year's by 21 per cent.; supplies 18 per cent.; coal, 42 per cent, and dyestuffs and chemicals, 103 per cent.

The effect of the annual report was visible again this week on the prices obtained for the stock. The first sale this week was made at 89, last week's high, but 1½ points above the close. There was at once a drop to 88, for the balance of the week, which, however, is 4 to 8 points above the general average since March. While trading was not as active as last week nearly 400 shares were dealt in.

The preferred showed no change, a few shares bringing last week's figure of 103, the prevailing price for the year.

MONTREAL COTTONS.

Little new business is being solicited by the Valleyfield mill as every effort is being put forth to catch up with orders piled up and waiting.

Gradually, however, the mill is getting into shape to become more independent of labor shortage. The "automatic" looms are being installed, a dozen of which can be operated by one person, to only six of the old ones. Among the new equipment recently added have been one hundred 40-inch looms for lawns and fancies, and seventy-eight 72-inch looms for table linens, and napkins. The last mentioned line has not yet been begun and may not before some time. The table cloths are of cotton, with a linen pattern, and are to meet the growing demand for the cotton goods in place of the real linen which have soared to fancy prices.

Conscription is likely to handicap this mill considerably. Out of 3,000 employes some 500 have enlisted already, but many of these were men who had been brought over from Manchester. If conscription goes into effect it likely will take a good number of the remaining employes, and this prospect is acting as a deterrent also to the accepting of new business.

The common was quiet, without sales, so last week's stands as the latest record at 51. In the preferred a few sold at 102, ½ point above the preceding sale three weeks ago.

MONARCH KNITTING.

This stock has run again into a quiet zone and neither in common nor preferred was there any sale. The last quotations were 40 and 80 respectively.

PENMANS.

On a press report that Penmans were planning to open a branch factory in London, Ont., presumably as in the other cases in order to secure sufficient labor, FINANCIAL POST wrote to inquire, but received a denial from the general manager, Mr. I. Bonner, who declared that they had "no intention whatever of erecting a new factory in London."

A second question was asked of Mr. Bonner as to whether the mills had been able to accept any orders beyond the limited amount allocated back last December. His reply to this was:—

"We have been able to accept very few orders for fall beyond our original allotments, and other line allotments which we had already taken on. In some cases have had to be cancelled through our inability to fill them, due to the labor situation."

There is nothing in this, however, to imply that the year's operations will not be satisfactory to the investor. It may be assumed that under conditions that have prevailed since the prices for Fall 1917, were opened some six months or so ago, all the goods that are delivered will carry with them substantial profits. Under better conditions as to labor and wool supplies, the year 1917 should have been by far the best in the history of Penmans, exceeding last year's record by a fair margin. Unless these two elements improve soon, however, it is doubtful whether such a result can be achieved.

The stock continues to hold its own well though sales are not very active. A few went through in common this week at 71½, as compared with 70-72 last week. There was no trading in preferred.

PULP AND PAPER

Movement Confined Almost Entirely to two Stocks, the General List Being Quiet and Weak

By W. A. Craick.

Except for a slight revival in the shares of the Brompton Pulp and Paper Co., and the North American Paper Co., the market has been very quiet this week. Several issues have not been traded in at all and stocks like Laurentide and Riordon have been completely neglected. The net change for the group, however, thanks, to the improvement in Brompton and North American, has been upward, as is indicated by the following schedule:—

	Close, May 23	Close, May 31	Change
Laurentide	177½	177	— ½
Riordon	124	123	— 1
Spanish, com.	15	14	— 1
Do., pref.	49⅞	49⅞	..
Wayagamack	68	68	..
Brompton	49½	52¾	+ 3¼
N. A. Pulp	4⅜	6¾	+ 2⅜
Toronto Paper	89½	89½	..
Net change, eight stocks			+ 3⅛

At the session of the House of Commons on May 22, A. K. Maclean, M.P. for Halifax, referred to the statement of F. N. McCrea, M.P., president of the Brompton Pulp and Paper Co. that the manufacturers of newsprint in Canada were being compelled by the government to sell their product at a loss. Mr. Maclean hinted that the Finance Minister might have been alarmed at the political effct if he did not consent to the newspapers' suggestion to fix the price and introduced Sir Sam Hughes' allegation that the Finance Minister made use of the newspapers to drive him out of public life.

"I should hardly like to believe that the Minister of Finance was a party to the dictation of paper prices from the motives designated by the hon. member for Victoria," concluded Mr. Maclean.. "If that is correct. I say it is unjust. If the Minister of Finance thinks the member for Victoria is incorrect, that this statement is unfair, I should like to have him say so."

To this Sir Thomas White replied as follows:—

"I have too much respect for the press of Canada, both Liberal and Conservative, to seriously argue in this House a question as to whether they would use their great influence to obtain some business advantage for themselves. The representatives of the press of this country, without any distinction of political affiliation, came to me, as they had a perfect right to do, and asked me to consider a matter which was of the utmost importance to them in their business. They pointed out that the prevailing rates for newsprint paper were such that if they were obliged to pay them their industry would be ruined. That was a proper subject for them to bring to my attention, and it was a proper subject for me, as minister, to consider. It was considered, as I said, in the House the other day, and, after exhausting all the arts of persuasion in endeavoring to get the question between the manufacturers of newsprint paper and the press settled, we took the action that is known to the House. I may say that this action was taken after we had, through our Tariff Board, made as careful an investigation as we could as to the increased cost of manufacture to the newsprint producers. The situation in regard to cost in all manufactures is a changing one from week to week during the progress of the war. A short time ago, in order that we might have full information as to the situation, we appointed Mr. R. A. Pringle, K.C., for the purpose of investigating the cost of production and all the conditions surrounding the manufacture and sale of newsprint paper in Canada. I submit to the House that, in view of the conditions brought to our attention by the press, the action which we have taken was a proper course for any Government to take in the premises. I may say that the investigation which is now proceeding will, I believe, meet the wishes of the manufacturers themselves as well as of the newspapers, because they desired to draw to our attention facts which they regard as of importance in connection with the price which they may be permitted to charge for newsprint paper. As to my hon. friend's general statement with regard to myself and the press, I would point out that the ex-Minister of Militia had resigned before the decision as to fixing the cost of newsprint paper had been reached by the Government. There would be no connection, therefore, such as my hon. friend suggests as between cause and effect."

At this week's hearing of the paper commission at Calgary, Commissioner Pringle announced that another order-in-council had been passed extending

the $2.50 rate from June 1 to July 1. He also stated that at the next hearing to be held at Ottawa on June 19, the manufacturers and publishers would be asked to unite in the selection of an auditor to go into the cost of production. He added, in reply to a question, that there was not much likelihood of an increase in the present price until the audit had been completed. A warning to publishers to guard against waste was uttered. The present wasteful consumption of paper could not be permitted to continue. A complaint that the mills at Fort Frances were invoicing customers in the west at prices higher than those prescribed by the order in-council was made and the Commissioner laid it down that the price fixed applied throughout Canada.

LAURENTIDE.

A single sale of Laurentide on Wednesday at 177 was the sole transaction of the week in this stock. This was at a decline of half a point from the last previous sale. Quotations all week have ranged from 180 asked to 177 bid.

BROMPTON.

A recovery in the shares of the Brompton Pulp & Paper Co. was one of the features of the week in the pulp and paper group. The upward movement began last Saturday, with a rise from 50 to 50⅞; this was continued on Monday to 51½; on Tuesday to 51¾, and on Thursday to 53, with a close at 52¾.

RIORDON.

After its spurt in the middle of the month from 112 to 125, Riordon relapsed into marked inactivity during the last week. A few sales went through at from 123 to 134¾, the last transaction being recorded at 123.

NORTH AMERICAN.

The week has witnessed a nice little recovery in North American. From a low of 4½ last Friday, the price was run up to 6¾ by Thursday of the present week. Trading has, however, been light and the advance was gained on buying of small lots. It is said that a pool has been formed in New York to strengthen the position of the stock, and that the improvement is due to its operations.

ST. MAURICE PAPER.

Union Bag and Paper Corporation, during the quarter ended April 30, has more than fulfilled expectations. Earnings, after all charges of $622,689, are at the rate of over $24 per share on the outstanding capital stock of the company and are sufficient to take care of regular dividend requirements for the whole of the current year.

The profits of the St. Maurice Paper Co., Ltd., of which Union Bag and Paper owns 75 per cent. of the stock, are not included. Earnings of the St. Maurice Co. for the quarter are estimated at $150.000, so that Union Bag and Paper's holdings will prove very valuable. The news mill is now in operation, with two paper machines running regularly, and the sulphite and sulphate mills are also under way.

The company estimates that the $90,000 reserved from earnings of the first quarter will be sufficient to pay all taxes which will be incurred as a result of the war.

MINING STOCKS

Improvement At the Last Week End Proved to Be of Temporary Character and Reaction Followed.

Following the holiday last week there was an upward swing in the mining market which seemed to give indications that the period of depression was over. Practically all the leading stocks exhibited firmness and in several cases points were gained. The movement unfortunately proved to be but temporary and the market later relapsed into its former condition of inaction and weakness. Trading all through has been very light and for the week price changes have been mixed.

	Close May 23	Close May 23	Change
GOLD—			
Hollinger . . .	4.35	4.00	—.35
Dome Mines .	12.00	12.00	.....
McIntyre	1.43	1.45	+.02
Newray	.74	.62	—.12
West Dome . .	.16¼	.18¾	+.02½
Dome Exten...	.13⅛	.12⅛	—.01
Boston Creek .	.75	.61	—.14
Vipond	.37	.38	+.01
SILVER—			
Beaver	.30¾	.35	+.04¼
Hargraves . .	.12¾	.12¼	—.00½
McKinley . . .	.51	.54	+.03
Nipissing . . .	7.25	7.20	—.05
Temiskaming .	.37½	.37	—.00½

The general situation remains unaltered. There is still much uncertainty with regard to labor, and production is seriously threatened. More than that, speculation which might be expected to develop with prices so attractive, is being retarded by the difficulty of procuring loans.

Silver closed the month at 74⅞ cents an ounce, which is exactly ½ a cent higher than the quotation on May 1. Fluctuations throughout May have been very slight. During the week just closing the figures rule steadily from 74⅝ to 74⅞ cents. London reports importations from New York very small, with little speculation either in buying or selling.

G. R. Marnoch, president of the Lethbridge Board of Trade, makes a strong appeal to the striking coal miners in that section to return to work. While submitting that local sympathies have all been with the miners, he asks whether their representations as to the increased cost of living have not been exaggerated. It is a time, he points out, when it is up to every person to do everything in his power to help those fighting the country's battles. "If the miners will but look at the matter in that light they will not lose a moment in getting back to work; and they need not then fear that public sympathy will be lacking in giving them reasonable and proper help in getting the wages they are entitled to. But the circumstances are far too serious for any right thinking fellow citizen of ours to be justified in stopping work just now."

DOME MINES.

Big Dome shares again dipped under the $12.00 mark this week, selling as low as $11.50 on Thursday. There is no change in the situation at the mines, production being still much below normal.

McKINLEY-DARRAGH.

A third quarterly dividend of 3 per cent. has been declared by the directors of the McKinley-Darragh Mines, payable on July 1. McKinley, on account of its consistency as a dividend payer, has become a purely investment stock and its present price gives a yield of 22½ per cent. on the money invested. The stock firmed up from 52 to 54 on news of the dividend declaration.

TEMISKAMING.

Temiskaming shares gained two points in the upward movement at the end of last week, selling up from 37½ to 39½. In the reaction which followed, they dropped back to 37. Over twenty thousand shares changed hands during the week at these prices.

BEAVER.

Beaver shares sold up from a low of 31 last week to a high of 36½ this week, closing Thursday at 35. The continuance of favorable developments at depth at the mine is regarded as establishing the value of the stock.

HOLLINGER.

It was officially intimated on Thursday that directors of Hollinger Consolidated intended to carry out the policy of maintaining production at the fullest capacity possible, unless compelled to desist through a strike declaration. A force of 900 men or more are still employed at the mine; production is large and there is no likelihood of any shut-down. It was also stated that the pay of miners at the Hollinger was higher than the scale demanded by the Miners' Union. This statement was doubtless evoked by the pronounced weakness in the stock, which sold down from 4.25 to 3.95, a new low level.

McINTYRE.

A report on McIntyre production for the first four months of the year was made public this week. It shows a tonnage milled of 16,641 tons per month, which compares with 13,123 tons per month in the last quarter of 1916. The grade of ore milled averaged $10.43 per ton, which is slightly under the average for the previous quarter, but is better than that for the first nine months of 1916. Operating costs are shown to be on the upgrade, with $4.97 per ton, as compared with $4.51 in the previous period. The operating profit was $279,563, or at the rate of $69,897 per month. This was over $2,000 better than in the last quarter of 1916, so that in spite of higher costs, operating profits apparently did not suffer.

McIntyre shares, which touched 1.35 in the slump of last week, recovered nearly twenty points in the upward movement at the week-end, but reacted to 1.42 on Thursday, closing at 1.45.

CONSOLIDATED SMELTERS.

An improvement in the amount of ore received at the Trail Smelter was shown during the second week of May. During the first week receipts were 3,548 tons, while during the second week this had been increased to 4,024 tons. Compared with the corresponding week of last year, shipments are still far behind:

	1916 Tons	1917 Tons
Week ending May 14..	10,524	4,024
From Oct. 1 to May 14	290,368	264,481

INTERNATIONAL NICKEL.

The new $4,000,000 refining plant of the International Nickel Co. at Port Colborne, Ont., has all the foundations completed and the steel work on the main building about finished. The first nickel will probably be turned out December next. The plant lies east of the entrance to the Welland Canal and has good transportation by rail and water. The initial output will be 15,000,000 pounds of refined nickel a year with provision made for an output three or four times that amount. The operating force will be between three and four hundred men. Most of the construction supplies have been purchased in Canada. In operation, the plant will consume 100,000 tons a year of coal, coke, cordwood, fuel oil, nitre cake, charcoal, silica, rock salt, soda ash, soda nitrate, sulphuric acid, fire clay and fire brick in addition to the copper nickel matte which will be supplied from the company's mines at Sudbury.

The fiscal year of International Nickel closed March 31 last, was the most profitable in the history of the company. Earnings were $13,023,214, or $7.77 a share, comparing with $6.70 a share in 1916.

The expansion in the company's business in the past three years has been remarkable, last year's earnings comparing favorably with $5,063,315 reported for 1915. While other metals have advanced in price, nickel has remained practically unchanged, so that the increase in earnings was brought about by finding new uses for the metal, increased consumption by automobile makers and manufacturers of certain war materials.

The company is at all times in a remarkably strong cash position, all purchases of materials, supplies, etc., being paid for in cash. At the close of the fiscal year the cash item showed $6,227,011 on hand, $2,030,000 in certificates of deposit and $515,000 in secured call loans, a total of $8,772,011, which is probably the best cash showing the company has ever made. It compares with $6,414,436 in 1916 and $6,492,538 in 1915.

Working capital is also in splendid condition, showing an increase of more than $1,500,000 over the previous year, and almost $4,000,000 over 1915. The three years' figures follow:—

	1917.	1916.	1915.
Current assets.	$17,965,208	$15,724,514	$11,117,881
Current liabil..	5,901,624	5,205,384	2,770,073
Working capital	$12,063,584	$10,519,130	$ 8,347,808

TRANSPORTATION

Interest Continues to Centre Upon Possible Developments At Ottawa.

The political tangle at Ottawa has to some extent diverted direct attention from the transportation issue as brought to a climax by the report of the Royal Commission but the problem is undoubtedly one of the most important involved in the policies of the various political parties and factions. The developments in the political situation will therefore be closely followed and their consequences awaited with interest. The majority and minority reports, the demand for complete nationalization, the schemes advanced by various independent authorities and the different attitudes of the railroads themselves all tend to create a very unsettled situation.

In another column is printed some interesting comment from the American and British standpoints. It will be noted that the former is a strong endorsation of the attitude which the POST has taken as to the weakness of the Drayton-Acworth report from the standpoint that it involves what would practically be government operation or would at least involve the evils connected therewith. So far as British opinion is concerned it treats with the position of the shareholders and from their standpoint condemns the proposals of both the reports. The opinion created in England in this connection is perhaps more important than the majority are inclined to accept in this country. We have been in the past and may be in the future largely dependent upon the British investor for our supplies of capital and if the Dominion government adopts an attitude of disregard for the rights of the investor as has been the case by the Ontario legislature a feeling of resentment may be created which will have serious effects upon the national credit.

The political turmoil also seems to have postponed for the time being action in connection with the demand of the railways for increased rates. The roads believe that they have submitted a strong case and that the increase will be granted in due course but in the meantime the hearing of the case of the American railways is proceeding at Washington and it may be that a decision in Canada will not be announced until action has been taken on the other side of the border.

All of the elaborate and at times confusing statistics of last week's hearing in Washington may be put into a nutshell by saying that if the increase in expenses for 1917 approximates the estimates which leading railroad executives, on their oath, say have been carefully and conservatively prepared, and based upon higher unit costs already in force, the net revenue of the carriers as a whole for this year will be less than they were for the fiscal year 1914 by perhaps $100,000,000, or 14 per cent. They will be something like $200,000,000, or 25 per cent., under those of 1913, and well below those of either 1912 or 1911, notwithstanding that the carriers are doing half again as much business as in the last named year, and have invested in round numbers $3,000,000,000 in additional facilities since that time.

Indications of continued rising costs in operation are to be found in the markets for labor and materials. Further wage advances are being made from time to time while the values of steel and iron continue to rise. In fact the situation is such that even if the 15 per cent. increase is granted it will not cover the actual increases in expenditures.

The railway companies are conducting a practical campaign to secure the co-operation of the public in an effort to reduce car shortage by having the cars more efficiently loaded. It is estimated that if consignees load cars to their full authorized cubical or carrying capacity the length of trains can be reduced and total freight transported increased. For instance, a typical train of 1915 with 23 cars carried 423 tons of freight while if the cars were loaded to their capacity a train of 20 cars would carry 468 tons. This indicates an increase of 45 tons carried by a train of three less cars. Figuring the total weight of cars and contents, it is estimated that had the cars been properly loaded, the results would have shown 6,947,588 less trains hauled one mile, 1,568,765 less cars checked and 29,806,545 less tons of car tare handled one mile. Increasing the average load by five tons per car would have the effect of increasing capacity by 54,800 additional freight cars, 182 freight and yard engines, 450 additional miles of yard trackage and 13.5 per cent increase in man power employed in train and yard service.

CANADIAN PACIFIC.

While the shareholders of the other Canadian railways have every reason to be dissatisfied with the conclusions of the Canadian Railway Commission, says the *Financier*, of London, the proprietors of the Canadian Pacific will derive from the Commissioners' reports nothing but gratification. It is pointed out that the Canadian Pacific is the only Canadian railway system that has made good, and there is not the shadow of a suggestion that its independence should be interfered with. Whatever be the fate of other Canadian lines, the great organization presided over by Lord Shaughnessy is assured of continued freedom to carry on its operations without Government interference and for the benefit of its proprietors. Meanwhile the company's financial position, as disclosed in the latest balance-sheet, is extraordinarily strong.

According to an unofficial announcement from Montreal some two thousand employees on the eastern division of the C. P. R., from Port Arthur to Halifax, covering the main and branch lines, will receive an increase of wages averaging from 18 to 25 per cent. This is the result of a lengthy conference between the C. P. R., officials at Montreal and representatives of the Locomotive Brotherhood of Engineers, Firemen and Order of Trainmen and Conductors, baggage and yard men."

The Canadian Pacific Railway reports gross earnings for the week ending May 21, amounting to $3,074,000 compared with $2,610,000 for the corresponding period in 1916, an increase of $464,000 or 17.7 per cent. The company made a good showing in April, the best since last December, which was, no doubt, due to the renewed movement of spring traffic. The gross earnings for April amounted to $12,355,519 as compared with $10,881,306 for the same month in 1916, an increase of $1,474,213. Operating expenses were $8,180,000, an increase of $1,032,430, while the net earnings amounted to $4,174,977 compared with $3,733,735, an increase of $441,242. The net for the first four months of the year compared with those for 1916 are as follows:—

Net.	1917	1916	Change.
January . .	$2,431,478	$2,090,408+	$341,010
February .	1,986,048	2,294,341—	308,293
March	3,937,318	3,421,330+	515,988
April	4,174,977	3,733,735+	441,242

The stock sold this week up to 163, which is an improvement of 2 points over last week.

CANADIAN NORTHERN.

The gross earnings of the Canadian Northern Railway system for the month of April amounted to $3,315,500 as compared with $2,824,300 for the same month in 1916, an increase of $491,200. Operating expenses amounted to $2,557,600 compared with $2,274,400, an increase of $283,200. Net earnings for the month were $757,900 against $549,900, an increase of $208,000, which compares with a gain in net for March of $251,700. The net earnings for the first four months of the year compared with those in 1916 are as follows:—

Net.	1917	1916	Change.
January	$482,100	$255,400+	$226,700
February . . .	108,200	129,400—	21,200
March	618,100	366,400+	251,700
April	757,900	549,900+	208,000

The aggregate gross earnings from July 1, to the end of April were $33,411,400 as against $26,958,900 for the corresponding period last year, an increase of $6.452,500. The aggregate net earnings amounted to $8,262,400, an increase of $1,436,800.

GRAND TRUNK.

For the week ending May 21, the gross earnings of the Grand Trunk Railway amounted to $1,425,534 as compared with $1.088,659 for the corresponding period in 1916, an increase of $336,875 or 31.2 per cent. Comparative figures follow:—

	1917	1916	Inc.	%
May 7	$1,135,091	$1,030,768	$104,323	10.1
May 14	1,356,646	1,076,436	280,210	26.1
May 21	1,425,634	1,088,659	336,875	31.2

The Grand Trunk Pacific Railway Company's gross earnings for the week ending April 30, amounted to £28,487 compared with £22,062 for the corresponding period in 1916, an increase of £6,425. From July 1. to the end of April the earnings were £304,995, a decrease over the corresponding period last year of £6,956.

CANADA STEAMSHIPS.

The new regulations as regards the restrictions upon Canadians leaving the country, which are expected to be followed by similar restrictions on Americans coming to Canada, will have a direct and important effect upon the tourist traffic and upon the earnings of the Canada Steamship passenger boats. However, the company is arranging to change its schedule, and it may be that there will be a larger movement of tourists within Canada over the lines of the company. The net effect remains to be seen but the losses may not be so heavy as would at first appear evident.

After being out of the trading for a couple of days the stock sold on Thursday at 36½-36, indicating a decline from the previous level of 37¾-37¼. The range last week was 38½-37½.

ELECTRIC RAILWAYS

Rising Costs of Operation Have Detrimental Effect Upon Security Values.

Although there has been no marked change in the market for traction securities during the week the general tendency has been towards further weakness. Several factors seem to be at work to the detriment of earning capacity. Costs of rolling stock and all other materials and supplies continue to advance; labor wages are advancing, constantly rising to higher levels and during the week a material advance in Detroit has been an outstanding feature of the situation and, especially in Canada, there appears to be a growing feeling in favor of public ownership which has some effect in undermining public confidence in such investments.

Sir Adam Beck is talking big things for his hydro electric system. He seems to see in the proposal for nationalisation of the several steam roads an opportunity to extend the system of electricfication. Developments in this connection will be awaited with interest.

BARCELONA TRACTION.

Some interesting light upon the conditions prevailing in Barcelona, which will have a direct effect upon the operations of the Barcelona Traction Co. are given in a report by the American Consul General, under date of May 4th. There has been a serious shortage of coal. During the first three months of 1917 shipments decreased by 10,971 tons. The shortage in gas coal and the unprecedented high price of gas has led to the general use of electric current, not only for illumination, but for industrial purposes and heating. This has had a

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
JOHN AIRD General Manager
H. V. F. JONES Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

THE DOMINION BANK

HEAD OFFICE, TORONTO

SIR EDMUND B. OSLER, M.P., President
W. D. MATTHEWS, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank
At 73 Cornhill, E.C.,

Conducts a General Banking and Foreign Exchange business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 100,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President — Charles Archibald, Vice-President
G. S. Campbell — S. J. Moore — W. W. White, M.D.
Hector McInnes — J. Walter Allison — W. D. Ross.
James Manchester — Hon. N. Curry — Hon. M. C. Grant

GENERAL MANAGER'S OFFICE, TORONTO

H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital ....$ 5,000,000
Reserve 3,400,000
Total Assets ....over $109,000,000

John Galt ....President
H. B. Shaw ....General Manager
J. W. Hamilton ...Assistant General Manager

This Bank, having over 305 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch.

CORRESPONDENCE SOLICITED.

The Canadian Converters' Co., Limited
And Subsidiary Companies
Annual Report for the Year Ending April 30, 1917

BOARD OF DIRECTORS

JAS. R. GORDON, ESQ., President. JAS. N. LAING, Vice-President.

DIRECTORS

THOS. J. RODGER J. H. ROY JOHN BAILLIE
G. N. BROOKS J. M. MACKIE
GENERAL MANAGER, J. H. ROY.
SECRETARY-TREASURER, THOS. M. BARRINGTON.

To the Shareholders:

Your Directors in presenting to you the Eleventh Annual Report are pleased to state that the year just ended has been the best in the history of the Company, showing a profit of $204,004.93, before providing for Depreciation and War Tax.

We have benefited this year by the consolidation of Plants mentioned in last year's statement and although doing an increased business have been able to keep down expenses and at the same time keep the Plants up to their usual high efficiency.

After paying Bond Interest and making provision for Depreciation and Bad Debts, the balance at the Credit of Profit and Loss Account now stands at $297,207.08.

COMBINED PROFIT AND LOSS ACCOUNT

1917 April 30th—		1916 May 1st—	
To Interest on Bonds	$ 23,940.00	By Balance	$175,128.77
To Reserve for Depreciation	27,000.00	1917 April 30th—	
To Reserve for Bad Debts and Provision for War Tax 1916	13,651.62	By Profits of Subsidiary Companies for year to date	204,004.93
To Dividend payable May 15th, 1917	17,335.00		
To Balance at Credit	297,237.08		
	$379,133.70		$379,133.70

All of which is respectfully submitted.

JAS. R. GORDON, President.

COMBINED BALANCE SHEET

ASSETS.

PROPERTY ACCOUNT			
Real Estate, Plant, Machinery, Goodwill, etc.			$1,883,646.00
CURRENT ASSETS			
Stock of Merchandise, Stores, etc.		$ 608,006.09	
Accounts Receivable, less Reserve for Bad Debts		232,645.71	
Cash on hand and in Bank		17,533.16	
Bills Receivable		23,197.30	
			881,382.26
SUSPENDED ASSETS			
Insurance Prepaid			10,053.20
			$2,775,081.50

LIABILITIES.

CAPITAL STOCK			
Authorized 30,000 shares of $100.00		$3,000,000.00	
Subscribed and issued 17,335 shares $100.00 each, fully paid up.			$1,733,500.00
MORTGAGE BONDS			
Authorized and issued		$ 750,000.00	
Less			
Pledged as collateral Security	$276,000.00		
Released from escrow and cancelled	60,000.00		
Released from escrow and held by Company	15,000.00		
		351,000.00	
			399,000.00
Of which $200,000 are held in escrow to redeem a like amount of Standard Shirt Manufacturing Co., Limited, bonds outstanding.			
CURRENT LIABILITIES			
Accounts payable, including War Tax for 1916		$ 93,083.19	
Interest Accrued on Bonds		9,975.00	
Dividend payable May 15th, 1917		17,335.00	
Bank Loans and Advances		70,000.00	
Wages Accrued		11,810.91	
			202,204.10
RESERVE FOR DEPRECIATION			143,170.32
PROFIT AND LOSS ACCOUNT Balance at Credit			297,207.08
			$2,775,081.50

CONTINGENT LIABILITY

Bills receivable under discount $128,539.56.

We have examined and audited the above Balance Sheet and we certify that in our opinion, it correctly discloses the true position of the Canadian Converters' Company, Limited, and Subsidiary Companies as at 30th April, 1917.

RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Montreal, 31st May, 1917. Auditors.

Oil in the Arctic

CANADA possesses enough petroleum to last the world for a thousand years. This oil is found on the Mackenzie River—in the Arctic region. The discovery was made two years ago by Dr. T. O. Bosworth, who reported the story of his "find" to the Dominion Government, but it is only now that the people of Canada have given them the story of a national asset of momentous importance. The tar sands north of Athabasca and Great Slave Lake become oil fields of incalculable value near the mouth of the Mackenzie. Read this story, told by Dr. Bosworth himself, of Canada's and the Empire's exhaustless oil fields in

MacLean's Magazine *for* June

THEN have regard for the following highly interesting special articles and features of the June MACLEAN'S, always keeping in mind that they are by Canadians for Canadians—and so belong by right to MACLEAN'S MAGAZINE, whose elect purpose is to advance the development of Canadian writers and Canadian literature, and to make the Canadian people—the best of them—better informed concerning their own land and their distinguished sons and daughters.

Balfour at Washington
and the war preparations of the United States, by AGNES C. LAUT. An interpretation of Balfour's mission to America as it relates to the Allies' cause and to the unifying of the great Anglo-Saxon peoples into an organized power for the conservation and development of human liberty and the rights of the common people.

William T. Dewart
A Character Sketch
The romantic and inspiring story of a Canadian—a member of a well-known Ontario family—who is now general manager of the Munsey publications in New York. The story is exceedingly well told by a remarkable man—Erman J. Ridgeway, himself a publisher of brilliant record.

Putting Pep into Parliament
The idea is that the work and proceedings of Parliament should be simplified and speeded up. Parliament is becoming more and more of a business institution and less and less a place for oratory. The work of Canada is too important and too vast to permit of elocution and casuistry and wire-pulling. H. F. GADSBY, a writer with any amount of "pep" himself, is the man who pleads that Pep should be put into Parliament.

Sunshine in Mariposa
By Stephen Leacock
The second instalment of his play whose setting and incidents are found in Ontario, Leacock's birthplace. Rich humor, and revealing Canada's premier humorous writer in a new phase of his astounding versatility.

James B. Hendryx
continues "The Gun Brand." This is a romance of the Canadian Northland. An adventurous and ambitious girl teaches school in Athabasca, and in her journeyings thither and in her life and work later on, there are incidents and experiences and developments laden with thrills. A fine story which can be satisfactorily begun in the June MACLEAN'S.

Sir Gilbert Parker
contributes "At Lake O'Calling."
This is a Canadian story—about the building of a railroad for Empire business. A romantic tangle gives the story zest and shows Sir Gilbert's art finely. Probably his best story ever appearing in MACLEAN'S MAGAZINE.

A. C. Allenson
contributes "June Comes Back."
A very beautiful June bride story—about June Summers, a charming young woman.

Arthur Beverly Baxter
contributes "The Man Who Scoffed." A war story—and good war stories at this time have great appeal. We all want to know more about the life our glorious Canadian boys are living in these epochal days. Romance mingles itself with death and tragedy.

Hopkins Moorhouse
contributes "The Herald Angel."
One of his fine Andy Doolin stories—a story of the days of the forty-niners with their lawlessness and enriching labors. A story of valor and primitive passions in freest exercise.

Records of Success
This is a feature department of MACLEAN'S given over to sketches of interesting Canadian men and women who have accomplished things.

Review of Reviews
A department tremendously well liked by every MACLEAN'S MAGAZINE reader, for here are found condensations of many articles of surpassing interest appearing in other magazines. So do readers keep themselves informed concerning what is best and most vital in current thought and life.

SO you have evidence of just how much worth-while MACLEAN'S MAGAZINE is—how admirably it is doing its chosen work and realizing its own purposes; which are to give the Canadian people a magazine dominantly and usefully Canadian, and which will satisfy from beginning to end.

At All News Stands—15c.

NEWS OF SECURITIES

Continued from page 3.

favorable effect upon the business of the hydro-electric companies in the district.

WINNIPEG ELECTRIC.

There has been a somewhat unsettled market for Duluth Superior as the result of the announcement of Duluth's city commissioners directing immediate steps toward the condemnation of the Duluth Street Railway Company's system and appointing a special city counsel to handle the matter. This action was the culmination of a long dispute between the city and the company over failure to build extensions to the new steel plant suburbs, and against the company's charge of double fare between that section and the down-town parts of the city. On May 16 President A. M. Robertson of the company, in a written statement to the city, refused to build extensions ordered unless the agitation against the present double fare was dropped. To-day's action is the city's reply to that communication. Mayor Magney, after the Council meeting, denied the resolution was only a club to secure a five-cent fare, and said the Commissioners intend to carry out the resolution, which is based on the city's right of eminent domain.

THE POST understands that while the company is satisfied with the soundness of the position it has taken in refusing to extend the company's lines when a profitable return is not assured within a reasonable period, it is possible that a compromise will be made and that the line will be extended to New Duluth on the understanding that the company will be allowed to continue the double rate charge when passengers travel outside the city of Duluth.

The stock has recently dropped to 45, which compares with a previous low of 47½ and a high of 50 within the current month.

The application of the Winnipeg Electric Company to the Public Utilities Commission for permission to advance gas rates is causing considerable comment and will probably be opposed by the city. This in face of the fact that the company declares that it is now paying 50 per cent. more for its coal supply than a year ago and only proposes to maintain the higher rate asked while the cost of coal warrants it. The attitude of the city in this case is only another example of the unfair attitude towards privately operated public utilities by the governing powers which seem to think that by treatment amounting to persecution they can appeal to popular opinion. People who are paying fifty to one hundred per cent. more for their coal have no right to expect that they should get gas made from coal at the same price as formerly prevailed.

Sales at the close of last week were 49-48, showing a continuance of weakness. There have been no transactions this week.

DULUTH-SUPERIOR.

The Duluth-Superior Traction Company reports gross earnings for the week ending May 21, amounting to $28,202 compared with $23,860 for the corresponding period in 1916, an increase of $4,341 or 18.2 per cent., which compares with an increase of 19.1 per cent. for the previous week. For the first three weeks of the month the earnings were $85,002 against $70,757, an increase of $14,244, or 20.1 per cent., while the earnings for the year to date amounted to $592,590, an increase of $94,082 or 18.9 per cent.

QUEBEC RAILWAY.

The weakness in Quebec Railway, Light, Heat and Power stock this week, is attributed to various causes, but the explanation probably is that some holders have become tired of waiting for action, and have decided to get into something else. The tense situation caused by the forthcoming conscription legislation has also been a bearish factor, as it is recognized that in the event of the organization of a national or coalition Government, the legislation to correct the Quebec and Saguenay deal may not be reached this session. The stock, which closed at 24 last week, receded fractionally this week, until it sold at 22½ which compares with a low this year of 21.

DETROIT UNITED.

The factor of increasing wages in advancing the operation cost of traction companies is indicated in the case of Detroit United. Increases in wages that will cost the company $1,100,000 a year have been agreed on by a board of arbitration, which since April 27 has been trying to settle the differences between the company and its men. The findings of the board have been drafted and will go into effect, as both the company and the men had agreed to be bound by the decision. Conductors and motormen who have served one year or less will get 35 cents an hour and those who have served more than a year will get 40 cents an hour. There are adjustments as to overtime and other details.

The company's stock sold somewhat lower this week at 110, as compared with 111½ last week and as high as 113½ the week previous. The high mark for the month was 114 at the opening.

TWIN CITY.

For the month of April the gross earnings of the Twin City Rapid Transit Company amounted to $839,072 as compared with $816,181 for the same month in 1916, an increase of $22,891. Operating expenses for the month amounted $534,446 compared with $506,702, an increase of $27,744, while the net earnings were $304,625 against $309,478, a decrease of $4,853. The fixed charges showed an increase of $5,103, and net income a decrease of $9,956. For the four months of the year the gross amounted to $3,480,984, an increase as compared with the corresponding period in 1916 of $173,817, and net revenue to $1,147,078 a decrease of $44,212. Following are comparative figures:—

April	1917	1916	Change
Gross	$839,072	$816,181+	$22,891
Expenses	534,446	506,702+	27,744
Net	304,625	309,478—	4,853
Fixed chgs.	145,402	140,299+	5,103
Net income	159,223	169,179—	9,956

B. C. ELECTRIC.

The British Columbia Electric Railway Company reports gross earnings for April amounting to $447,429 as compared with $421,265 for the same month in 1916, an increase of $26,164. Working expenses less maintenance, etc., were $350,341 as against $343,398, an increase of $6,943, while the net earnings were $97,088 compared with $77,867, an increase of $19,221, which compares favorably with a gain shown in March of 19,221. Following are comparative figures of the net earnings since July last.

Net	1916	1915	Change
July	$ 63,200	$ 26,842+	$36,358
Aug.	74,134	19,734+	54,400
Sept.	63,051	39,816+	23,235
Oct.	93,418	58,775+	34,643
Nov.	109,537	84,139+	25,398
Dec.	136,366	125,538+	10,828
	1917.	1916.	Change
Jan.	130,479	114,022+	16,457
Feb.	101,680	96,522+	5,158
Mar.	100,448	91,298+	9,150
April	97,088	77,867+	19,221

The aggregate gross earnings from July 1, to April 30, amounted to $4,513,808 as against $4,248,085, for the corresponding period last year, an increase of $265,723, and the aggregate net earnings were $969,401 compared with $734,554, an increase of $234,847.

BARCELONA

The only transaction of Barcelona Traction in the past fortnight was at 11½, this price showing no change. Late quotations were 12½ asked and 11 bid. Unsettled conditions continue to prevail in the field of operations.

BRAZILIAN TRACTION.

Continued improvement in the exchange situation has maintained a firm market for Brazilian Traction, and there as been a fair amount of activity in the securities. The range has been somewhat wider than last week, the top being the same, at 40½, but the bottom fractionally lower at 39¼, compared with 40.

Reports indicate that the immediate reason for the improvement is sentiment, but behind that are favorable factors. Up until a few months ago Brazil had been doing a big export trade with Europe and North America. The German submarine activities partially crippled export trade. Otherwise the recovery in exchange might have come sooner. The indiscriminate sinking of ships on the high seas by the Teutons, probably more than anything else, induced the Brazilian Government to assume a hostile attitude towards Germany. Numerous German ships are interned in Brazilian waters, and these will likely be appropriated by the Brazilian Government for overseas traffic should war be declared. Moreover, by her recent step those of the British Empire and the United States, and this will not injure her credit or her other commercial affairs. By degrees, through a process of careful economy, Brazil has partially recovered from her financial adversity.

ILLINOIS TRACTION.

The total gross earnings of the Illinois Traction Company for the month of April were $1,051,751, as compared with $948,616 for the corresponding month of the previous year. This is an increase of 10.87 per cent. The net earnings for the month of April were $383,184 as compared with $358,335, the previous year or an increase of 6.93 per cent. For the four months ending April 30th, the total gross earnings were $4,333,863, as compared with $3,971,144 the previous year, or an increase of 9.13 per cent. The net earnings for this four months' period were $1,635,452, as compared with $1,557,804, for the corresponding period a year ago. This is a gain of 4.98 per cent. There has been no trading in the company's securities for some time. The last sale of a board lot was made at 87, with 87½ the high of this year; 84 was the asked price for an odd lot this week, with no takers.

On Thursday a few shares of Illinois Traction changed hands at 84.

TORONTO RAILWAY.

Trading in Toronto Railway was very dull this week. Sales were at 80, which indicates practically no change, the range last week being 79 to 81½.

LIGHT AND POWER

Hydro Electric is Now a Competitor in the Generation of Electricity

By purchasing the assets of the Ontario Power company for $22,669,000, the Ontario Hydro Electric com mission has entered into the business of generating as well as distributing electric power.

The principal owner of the Ontario Power Company was Mr. John Joseph Albright of Buffalo, N.Y., who agreed to sell to the Hydro-electric Commission ninety thousand shares of the company's stock at $80 per share The shares have a par value of $100 each, and Mr. Albright has under taken to accept as payment Hydro-electric four per cent. forty-year bonds. It is believed the Commission can buy the remaining ten per cent. of the stock on similar terms.

The Hydro commission is now not only in the business of creating power for its customers in Canada to which it has already been distributing but it also has consumers in the United States. Here is a point where in the future difficulty may arise. If the Commission discriminates in favor of the Ontario consumer as regards supply of power then the American consumers will naturally object and their objection being taken to the government of the state of New York may result in international complications.

So far as the shareholders of the private development companies are concerned the deal does not make any material difference in the situation but it may be taken for granted that now that the commission is generating as well as distributing there will be no improvement in the methods of competition used.

The special committee which has been revising the Railway Act has adopted an amendment which will prevent power companies being given the right to distribute electric light and power in a municipal area without the consent of the municipal authorities. This is another example of the manner in which the Hydro-Electric interests are using their political influence for the passing of legislation which is evidently intended to squeeze out all private competition.

CIVIC INVESTMENT.

The first annual report of the Civic Investment and Industrial Company for the nine months ending April 30th, which showed gross earnings of $6,783,839, and net earnings of $3,242,523, and net income, after the payment of fixed charges of subsidiaries of $2,486,009, which is dealt with elsewhere in THE POST, did not result in any stimulation of the stock on the Montreal Exchange. After selling at 77½ on Saturday, the price weakened fractionally to 77 on Monday; and lingers around that figure. The annual meeting of the company will be held on Wednesday, June 6th, at 12 o'clock noon.

SOUTHERN CANADA POWER.

The Southern Canada Power Company has entered into a contract with the city of St. Johns, Quebec, to supply it with power for its pumping plant. The Southern Canada Company already supply the city with its electric lighting and power, both for municapal and domestic purposes. The new contract will run for a period of ten years. In pursuance of its policy of extending its system throughout the Eastern Townships, the company has purchased the municipal lighting plant in the town of Bromptonville, near Sherbrooke. Bromptonville will be on the company's main transmission line between Drummondville and Sherbrooke. In order to provide for disbursements, the company is selling 6 per cent. bonds from time to time. These bonds carry a bonus of 50 per cent. of common stock, and are being offered at par.

OTTAWA LIGHT AND HEAT.

A few transactions in Ottawa Light & Heat have recently taken place at 80. This is the first trading since the early days of April and a decline of 3½ points is indicated. There has been no information recently made public regarding the affairs of the company.

CONSUMERS' GAS.

Since the announcement of the particulars of the new stock issue of Consumers' Gas, the market quotations have been 155 asked and 150 bid, ex-rights. No transactions have taken place.

ALABAMA POWER.

The Alabama Power Co. is building a new power plant on the Warrior River, near Cordova, Alabama. The plant will be operated by steam, and will add 40,000 kilowatts to the company's power output, increasing the total capacity about 55%. The first 20,000 unit will be in operation in August or September, 1917, and the other unit of 20,000 is expected to be ready in the latter part of 1918. The company is building the new plant in its own coal fields, with a mine entrance within fifty feet of the plant.

The unusual demand for power in the Anniston and Birmingham districts has taxed the company's power capacity to the utmost during the past year, and unless it is able to complete the new plant by September, the company will be obliged to cut down on its secondary contracts in order to supply its larger customers. The company has also added another operating unit to its hydro-electric generating station at Lock 12 on the Coosa River, thus giving that station a total capacity of 92,500 h.p. This makes the fifth unit to be installed and is designed for 22,500 h.p. capacity, as compared with 17,500 h.p. output of each of the other four units.

The annual report of the Alabama Power Co. will be issued during the coming week, and will show very satisfactory results from the year's operations. For the twelve months' period ended April 30, 1917, the company's gross earnings were $1,692,526, an increase of 43% over the same period last year, while net earnings were $1,093,602, an increase of 49.5%.

LAURENTIDE POWER.

The monthly statement of the Laurentide Power Company for April shows a gross income of $49,107 as compared with $22,862 for the corresponding period a year ago, an increase of $26,245, or 144 per cent., while the net earnings amounted to $42,029, as compared with $20,743, an increase of $21,286, or 102 per cent. An item of fixed charges took $31,250 compared with nothing a year ago, which left the net income at $10,779, or a decrease of $9,964, as compared with April, 1916. Comparisons for the four months are as follows:—

	1917	1916
Gross income	$49,107	$22,862
Oper. and gen. expense	7,077	2,119
Net earnings	$42,029	$20,742
Fixed charges	31,150	......
Net income	$10,779	$20,743

For the four months ending April 30 the earnings compare as follows:—

	1917	1916
Gross income	$212,537	$70,734
Operation and general maintenance	22,506	8,141
Net earnings	$190,031	$62,643
Fixed charges	125,000	......
Net income	$65,031	$62,643

MILLING

Another Quiet Week in Securities—Weakness in Flour Market Noted.

By J. L. Rutledge, Editor Canadian Grocer.

For another week there is no great activity to be noted among the milling stocks. In the general market situation, there is a tendency toward weakness in the sales of flour. This fact has had its influence, as there is evidenced a general feeling of hesitancy in buying, potential purchasers evidently feeling that further declines were to be expected at any time. Just at the moment the farmer can find no active market for his goods and consequently is taking the best prices he can get. This has had a tendency to depress wheat prices. This tendency was still further emphasized by the increasingly optimistic crop prospect reports. Both from the United States and Canada come reports of unusually favorable weather, and Canadian reports indicate that conditions are more favorable than is usual at this season of the year.

Moreover, the oat crop is becoming daily more of a factor in the situation. It is reported that the American crop will be larger than is required for domestic or foreign requirements, and it is even hinted that a flour will be milled from this grain to mix with wheat flour. Whether this will have any influence on the situation or not, it is evident that the general easing of the grain situation is having a most material effect. There was a decline in flour on the eastern markets of $1 during the week, and a further decline is reported from Winnipeg at the time of writing. The general feeling is toward still further declines.

LAKE OF THE WOODS.

Still no activity is to be noted in the stock of the Lake of the Woods Milling Company. The last transaction in the common was noted at the end of April, when a few sales were recorded at 126. The last sale in the preferred occurred at the close of January, the figures being 116.

MAPLE LEAF.

The activity in this stock during the latter part of last week was the least pronounced of almost any similar period so far this year. In fact trading dropped away almost to nothing. There was somewhat of a revival early in the week though Monday's trading showed a decline of a full point. This was recovered under the greatly increased trading of the following day. It is to be noted, however, that following the annual meeting, there was a very distinct slump in the stock's selling price, the low registering a clear decline of three points on the previous day's selling, and that without the influence of what might be considered heavy selling. Thursday's selling showed the same condition though the stock rallied half a point at the close to 105½. In the preferred there has been an average activity for some days past ,with no indication of any weakness in feeling. The selling price remained steady at 94.

OGILVIE.

The tendency in the Ogilvie Milling Company's stock was for a slightly easier feeling, Tuesday of this week the Common sold for 144, one point off the last sales figure and about half a point below the general average of the month. There has been no activity in the preferred during the week, the last price recorded was on Wednesday of last week when the stock sold for 110¼, a decline from a steady price of 112.

Replying to a question in the House, the Minister of Finance stated that the business tax levied upon the Ogilvie Milling company for the accounting period of 1915 was $280,835. Returns as to the net earnings of the company for the past fiscal year had not yet been received. The 1915 taxes had been figured on the basis of profits of $1,122,456 against stock totalling $5,500,000.

QUAKER OATS.

Some indication of the extent of the export business of this company can be gained from the report of the Minister of Customs on Drawbacks during the fiscal year. This report showed that the Quaker Oats Company had received from the government, $231,125 in drawbacks on the manufactured article reshipped to the United States. As it is unlikely that all the grain used in the manufacture of goods shipped to the States came from across the line this amount only partially indicates the amount of business of that nature carried by this company.

SHREDDED WHEAT.

There has been a very gradual but steady decline in this stock since it was put on the market in February. The early price was 136 whereas the sales of Monday of this week were made at 130. In the preferred there have been no sales since February when the selling price was 95.

OTHER STOCKS

Some Improvement Has Been Noted But Trading Continues on a Narrow Basis.

Although trading on the Canadian exchanges has continued on a narrow basis, with further evidence of that dullness which has been a feature of the situation for some time, there was, mid-week, a buying movement which, while not broad, had considerable effect. This up-turn appeared to be a reflection of the buoyancy of New York and it was emphasized by the fact that the market has for some time been pretty bare of floating stock. Friday saw a reaction, but it did not entirely wipe out the gains of the previous day.

Traders do not look for any marked change in the situation in the near future. Stocks have evidently passed into strong hands and until there is some marked change in conditions there is not likely to be very active trading, especially as it is evident that the financial interests are not inclined to encourage anything like extravagant speculation.

AMES-HOLDEN-McCREADY.

The annual meeting of Ames-Holden-McCready will be held on the fourth Thursday in June. The financial statement for the year ending April 30, will, as previously stated by the FINANCIAL POST, show a substantial improvement over the previous year, but no detailed figures are available yet. The earnings will cover

the fixed charges, and preferred dividends and probably something on the common, but the prospects of the shareholders getting any distribution are remote. The present directors are desirous of getting the finances of the industry on a sound basis, and their policy will no doubt be to conserve the cash resources of the company. The prospects for the current year are very bright. Orders are coming in in satisfactory volume, while the company's overhead charges will be materially reduced. There has been no trading in the securities of the company for some time.

BELL TELEPHONE.

The tendency of legislative bodies to discriminate against private corporations in favor of public ownership projects, is indicated in the decision of the special railway committee at Ottawa this week. This has to do with the demands of the independent companies to secure long distance connection with the Bell system. The company has not objected to connection being allowed, but has demanded fair compensation. By a vote of eight to four, the committee decided to put a clause in the new Railway Act giving the Railway Board power to adjudicate on the terms and conditions of such interchange. This is considered as a partial win for the independent companies over the Bell company.

The only sale of Bell Telephone of the week was a single share at 140¼. This price was ¾ point below the last previous but on a par with the low level of last week.

B. C. ELECTRIC.

After the Vancouver civic authorities have labored in the legislative building in Victoria for the past month in an endeavor to get a measure through the House allowing the city to generate and sell electrical energy for lighting and power purposes after June 1, 1919, their efforts have finally ended in success. In view of the fact that the aldermen are in favor of going through with the proposal and also that the franchise of the B. C. Electric Railway expires in February of the same year, it might be safe to assume that if the company intends to continue in the lighting and heating business in Vancouver, there will have to be radical reductions in the lighting charges in the coast cities.

During the month of April the B. C. Electric carried 2,402,660 passengers over its city and suburban lines as compared with 2,156,798 in April, 1916. This figure, however, was 200,000 short of the passengers carried in the preceding month. The city's share of this traffic amounted to $3,007.44 under the agreement at present existing between the city and railway. In April of last year, the city treasury was reimbursed to the extent of $2,344.32 making an increase this year of $663.12.

B.C. PACKERS

A block of common shares of B.C. Packers changed hands in the late trading this week at 45. This price is on a par with the last previous sale two weeks ago. There have been no developments recently reported regarding the affairs of the company.

COCKSHUTT PLOW.

With unusual agricultural activity in the country and high prices prevailing for farm products, business conditions with such firms as the Cockshutt Plow Company, have shown an improvement. However, while marketing conditions have been much better, difficulties with regard to manufacture have been many. The report for the year ending June 30 will be satisfactory considering all the conditions. At a recent meeting of the directors, the advisability of resuming the payment of dividends was discussed, but it was decided that it would be better to conserve liquid resources until the future is more clearly defined.

CARTER-CRUME.

At the annual meeting of the shareholders of the Carter-Crume company the plan for exchange of shares of the company for those of the American Sales Book Company was unanimously approved. As a first step in the consummation of the plan the directors are offering for sale to the shareholders the 4,126 preference shares of American Sales Book which were reserved to be sold for the liquidation of the company's liabilities. After these have been sold steps will be taken to effect the exchange as has been outlined. The shares are 7 per cent. cumulative preferred and carry back dividends of 12¼ per cent. The offering price has been fixed at $70 because the proceeds of the sale at that figure will provide sufficient funds to pay all liabilities.

CANADIAN WESTINGHOUSE.

In the annual report of the Westinghouse Electric and Manufacturing Company, reference is made there to the concern's activities in Canada. It is stated that investments in other companies increased during the year by $2,493,825, and that this chiefly represented additional shares acquired during the year of the Electric Properties Corporation and the Canadian Westinghouse Company. What proportion of the total represented each of these subsidiaries is not indicated.

CARRIAGE FACTORIES.

Carriage Factories received some unusual attention in the market this week the price movements indicating further weakness and then a moderate reaction. There were quotations at nine on Monday and Tuesday but later there was a gain of two points to 11. This price compared with sales at 10 last week and 12 during the first days of the month.

CANADA CEMENT.

Apparently the shareholders of the Canada Cement Company need have no anxiety about the after the war period. At the present time the company is producing about 50 tons of high-grade low phosphorous iron per day, which is selling at the very high figures of from $70 to $80 per ton.

The company's cement business continues to show a very satisfactory increase over the previous year. The effect of the company's constructive advertising campaign is seen in the growing volume of orders that are flowing in from the country districts. The common, which closed at 62⅞ last week, has been stronger this week, having opened at 64 on Monday. After fractional recessions this price was again touched on Wednesday.

Owing to the high cost of coal and all other materials the company has found it necessary to announce another increase in the price of cement. The advance this time is fifteen cents a barrel. The stock touched 64½ on Thursday afternoon.

CANADA BREAD.

The recent increase in bread prices by the Canada Bread Company were evidently construed as a signal of weakness by the investing public. Prior to these increases the stock of the company stood at around 16¼. Almost immediately following these increases however, ther was a decline to 15, a figure that has remained constant since then. Even the fact that the company has announced a change in bread prices during the past few days has had no visible effect. In the preferred stock there has been no movement since the middle of march, when sales were made at 85.

DOMINION CANNERS.

There has been no activity in the common stock of the Dominion Canners during the past week; there seems, however, to be a general feeling of weakness, consequent, no doubt, upon the very unsatisfactory weather conditions prevailing. The last sale in the common showed a decline of 2 points from the general average of the past week, while in the preferred Monday's sales quotations were 71, which was a straight drop from the last sale of over five points.

GENERAL ELECTRIC

There was some improvement in the market for Canadian General Electric common this week. On Monday the price moved up to 108, a gain of one point and the larger portion of this gain was maintained throughout the later trading. The volume of business continued small. Reports as to the operations of the company are generally satisfactory.

GOODWINS

A small lot of Goodwin's common changed hands this week at 43. This is the second transaction of the year and the price shows a decline of 2 points from the last figure which was 45 on a sale made during the latter part of March. Reports indicate a continuance of generally satisfactory trading conditions with substantial profits.

INTERNATIONAL PETROLEUM.

The light trading in International Petroleum this week indicated no change in price. The few transactions recorded were at $14.00 the same figure as last week, the latter figure, however, was a gain of one point over the previous week.

LYALL CONSTRUCTION.

A feature of the financial statement of the P. Lyall & Sons Construction Company, which is referred to elsewhere, is the large expenditure that has been made for its munitions plant. This item stands at $1,444,000 in the balance sheet, against which $625,000 was written off out of earnings. Unquestionably the proper course to pursue is to write off for these plants, which have been created for a special purpose and which will only be required for that purpose for a limited time. It is not at all likely, however, that a concern as resourceful as the Lyall Company will find it necessary to scrap its magnificent plant which it has built up for munitions work. In fact, the report of the directors intimates that this matter is receiving close attention, and no doubt some policy will be decided upon which will permit of the utilization of the plant, possibly with certain changes. The common has developed considerable strength recently. Starting at 65 last Friday, the price quickly advanced to 70, and sold at 73 this week.

Evidently on the strength of the annual statement combined with the general improvement in the steel and munitions stocks Lyall moved up to 73½ in the late trading, showing an advance at that figure of 2½ points over the previous.

MACKAY.

There was some improvement in the market for Mackay common this week. The bulk of the sales were at 85 to 85¾ while last week the range was 83 to 84¼. There were also a few sales of the preferred at 65 which price indicated no change from the previous week although half a point below the best of the month.

MACDONALD

There has been no trading in the common shares of the A. Macdonald company for some weeks. Latest quotations are 13 asked 11 bid which compared with last sales at the latter figures and therefore indicate some improvement in tone.

ROGERS.

There has been no thading in the common stock of the Wm. A. Rogers company during the past week. Bids of 65 are registered but they do not bring offers. Last sales were at the figure quoted indicating a somewhat firm tone now prevailing. A small lot of the preferred changed hands during the week at 90, showing no change. Bids at this figure since have failed to interest holders.

RUSSELL MOTOR.

While it is of course impossible for the Russell Motor Company to make public any figures regarding its production of munitions, the FINANCIAL POST understands that during the month just closed all records in the matter of output were broken. The plants, operated by the company, are now running at the top-notch of efficiency. Production of high explosive shells is said to be progressing most satisfactorily and the difficulties encountered in the early stages have been entirely overcome. The manufacture of fuses, of course, has always been profitably handled. At present rate of output, all existing contracts give promise of being completed in time.

With the approach of the end of the Russell Company's year, speculation, as to the probable results and the chances of dividend action, is becoming more active. So far as profits are concerned, the uncertainty about the business profits tax is a disturbing factor. If applied in its full force on the two million dollar capitalization, without considering bank overdrafts, it will have a serious effect. Otherwise, the company should come through the year very nicely and be able to clear off considerable of its floating indebtedness.

So far as possible dividend action is concerned, it is held in well informed circles that there can be no distribution until after the war. The necessity for heavy borrowings to finance new contracts is believed to be ample reason for postponing any disbursement until the munitions business can be wound up. Money can be secured for the handling of contracts but it is doubtful whether it could be procured for payments to shareholders. At the same time, there is some idea that a sort of interim seven per cent. dividend may be declared on the preferred stock. This would not require much cash and would be a certain reward for those who have waited so long for a return on their investment.

A sale of Russell common on Wednesday at 79 and sales of the preferred on Thursday at 110 indicate how the position of the stock has improved. The last previous sale of common on May 10 was put through at 70, while the preferred sold on May 15 at 102.

SMART WOODS.

In the late trading last week Smart Woods common sold at 48, compared with previous transactions at 50. On the day referred to it was ex-dividend 1¾ per cent. Since then there have been bids as low as 44, but nothing has been offered under 50 and no sales have been made.

SAWYER-MASSEY.

After Sawyer-Massey common dropped to 8 last week there have been no further transactions and no quotations have been given on the stock market to indicate trading opinion. Conditions in the agricultural implements trade are very much upset owing to difficulties with raw materials and labor. These difficulties are more than counterbalancing the improvement which has occurred in the demand as the result of the increased agricultural development and high prices for farm products.

Reports regarding the market for agricultural implements indicate that the effect of the food campaign has not been seen in an increased demand for tractors, plows and miscellaneous tools and implements. Farmers will wait as usual for more definite indications of crop yields before buying harvesting machinery extensively. Indications point to a large increase in sales this year. Acreages have been increased in many districts and labor supply is very short. Also in Western Canada there has been a considerable influx of American settlers, many of whom come well supplied with capital. As to production, however, manufacturers continue to face serious problems as regards labor, cost of raw material, transportation, etc.

TUCKETTS.

There have been no sales of Tuckett's Tobacco common for a couple of weeks, when there were sales at 19. That figure is still being asked, but bids are a couple of points off, at 17.

REVIEW OF MARKET FOR MINING SHARES

Name.	Capital Authorized	Capital Issued	Week ending May 31 High	Low	Sales	Close May 31 Asked	Bid
COBALT STOCKS—							
Adanac	$ 2,500,000	$2,250,000	...	...	....	.20	...
Bailey	5,000,000	4,250,000	.04	.03½	8,500	.05	.04
Beaver Cons.	2,000,000	2,000,000	.36½	.33	12,500	.35	.34½
Buffalo Mines	1,000,000	1,000,000	...	...	....	1.30	1.05
Cham.-Ferland	2,500,000	2,312,850	.15¼	.10	10,700	.10½	.10
Coniagas	4,000,000	4,000,000	3.80	3.50	350	4.00	3.75
Crown Reserve	2,000,000	1,999,957	.30¼	.27	13,575	.28	.27
Foster	1,000,000	915,588	...	...	....	...	...
Gifford	250,000	....	.04	.03¾	15,300	.04	.03¾
Great Northern	1,500,000	1,500,000	.10	.10	1,000	.11	.09
Hargraves	2,500,000	2,500,000	.13½	.12	57,200	.12½	.12¼
Hudson Bay	25,000	7,761	38.00	38.00	10	40.00	38.00
Kerr Lake	3,000,000	3,000,000	4.85	4.75	400	4.85	4.75
La Rose	7,500,000	7,493,135	.45	.42	5,150	.47	.41
McKin.-Dar.-Sav.	2,000,000	2,247,692	.53	.52	3,200	.54	.52
Nipissing	6,000,000	6,000,000	7.20	7.20	100	7.40	7.20
Ophir	685,000	....	.08¾	.08½	2,600	.09¼	.08
Peterson Lake	3,000,000	2,401,820	.10	.09¼	6,800	.09¾	.09½
Right of Way	2,000,000	1,685,500	...	...	....	...	...
Seneca-Superior	500,000	478,884	.02	.02	500	...	.01½
Temiskaming	2,500,000	2,500,000	.39½	.37	20,900	.37½	.37
Trethewey	2,000,000	1,000,000	.11¼	.11¼	5,000	.11½	.11
Wettlaufer	1,500,000	1,416,590	.06	.06	1,500	.08	.05
PORCUPINE STOCKS—							
Apex	2,000,000	1,300,000	.05½	.05	23,650	.05¼	.05
Dome Cong.	2,500,000	1,250,000	...	...	....	...	...
Dome Extension	3,000,000	2,200,000	.13½	.12	18,000	.13	.12
Dome Lake	2,000,000	1,227,017	.17½	.17	8,300	.17	.16
Dome Mines	5,000,000	4,000,000	12.00	11.50	635	12.00	11.25
Foley-O'Brien	3,000,000	2,500,000	...	...	....	...	...
Hollinger	3,000,000	3,000,000	4.45	3.95	3,470	4.00	3.95
Jupiter	2,000,000	1,867,786	...	...	....	...	...
McIntyre	3,000,000	2,999,995	1.54	1.42	50,789	1.45	1.44
McIntyre Extension	2,500,000	2,000,000	...	...	....	...	...
Porcupine Crown	2,000,000	2,000,000	.54	.53	2,600	.57	.56
Porcupine Imperial	2,000,000	1,409,200	.03	.02⅞	24,500	.03	.02⅞
Vipond	1,500,000	900,000	.38½	.37	18,450	.38½	.38
Preston E. Dome.	3,000,000	2,000,000	.03¾	.03¾	10,000	.04	.03¾
Schumacher	2,000,000	....	.47	.45	3,000	.46	.43
Teck-Hughes	2,000,000	2,000,000	.60	.55	2,150	.60	.55
West Dome Con.	3,000,000	2,000,100	.20½	.16¼	49,700	.19	.18¾
MISCELLANEOUS—							
Con. Min. & Smelt.	10,000,000	8,427,500	.27¼	.26¼	1,425	.27¼	.26¾

UNLISTED STOCKS.

Furnished by A. J. Pattison, Jr., & Co., Toronto, May 30, 1917:—

Quotations	Bid	Ask
Abitibi Power, com.	50.00	60.00
Atlantic Sugar, com.	9.00	18.00
Do., pref.	35.00	40.00
Alberta Pac. Gr., pref.	90.00	96.00
Anglo-French 5% bds.	93.75	94.50
Belding, Paul, com.	12.00	16.00
Crown Trust Co.	.....	95.00
Can. Machinery 6's	72.00	82.00
Do., pref.	45.00	52.00
Can. Fair.-Morse, pref.	87.00	95.00
Can. Mortgage	85.00	93.00
Can. Furniture, pref.	.....	43.00
Can. Oil, pref.	88.00	100.00
Carter-Crume, pref.	67.00	.....
Chapman Ball Bearing	33.00	.....
Continental Life	20.00	25.00
Cockshutt Plow, pref.	63.00	70.00
Can. Tube & Iron	87.00	94.00
Can. Nat. Features, pref.	.....	95.00
Can. Salt 6's	96.00	.....
Can. Timber and Land	.....	97.00
Coll. Ship Bldg. 6's	.....	97.00
Dominion Linseed	75.00	.....
Dom. Pwr. & Trans., com.	61.00	64.00
Do., pref.	97.50	100.00
Dom. Perm. Loan	70.00	73.00
Dunlop Tire, pref.	90.00	97.00
Eastern Car, pref.	.....	70.00
Do., 6% bonds	.....	96.00
Goodyear Tire, com.	.....	225.00
Home Bank	64.00	65.50
Imperial Steel, pref.	.....	5.00
Interlake Steam. 6's	96.00	.....
Inter. Milling 6's	.....	99.00
Imperial Oil	375.00	405.00
London Loan & Sav.	95.00	110.00
Mutual Steamboats	97.50	.....
Monarch Life	.....	25.00
Morrow Screw 6's	85.00	90.00
Murray-Kay, pref.	.....	25.00
North American Pulp	6.25	6.75
N. S. Steel 6% deb.	.....	97.00
National Brick bonds	.....	35.50
Nat. Telephone 5's	.....	85.00
Ontario Pulp, bonds	84.00	88.00
Otis-Fensom Elev., pref.	90.00	97.00
Provincial Paper, com.	50.00	52.00
Russian Govt. 5½% bds.	245.00	255.00
Stand. Re. Loan (par $50)	46.00	48.50
Steel & Radiation, bds.	.....	68.00
Sterling Coal bonds	54.00	.....
Smart-Woods, com.	43.00	50.00
Sovereign Life	.....	25.00
Trusts & Guarantee	86.00	90.00
Temple Theatre, pref.	95.00	100.00
Do., com.	30.00	.....
Tooke Bros., pref.	.....	77.00
Universal Steel, com	.....	36.00
Wabasso Cotton, com.	22.00	30.00
Western Assur.	.....	6.75
Arena bonds	.....	90.00
Canadian Marconi	1.50	2.50
Canada L. & P. bonds	45.00	52.00
Dominion Glass, com.	22.50	25.00
Canada Paper, pref.	.....	92.00
Milton Pressed Brick	20.00	.....
McDonald, com.	11.00	12.00
.4.pref 6..Ofapre omovacoti ANCbmb		
E. L. Ruddy, pref.	.....	88.00

POWER FROM VOLCANO.

Remarkable Development to Make Use of Nature's Surplus Energy.

Larderello, Italy, has an electric central station which is one of the most extraordinary installations in the world. Three big turbo-generators supply the townspeople with electricity for illuminating purposes at night. During the day the power is used to operate big munition factories. And not a pound of coal is consumed to supply the turbines with steam, for the steam is piped to the turbines from a smoking volcano and the whirring dynamos change the waste energy of nature into electricity ready to furnish light, heat and power to the towns and villages of Tuscany.

Two of the generating units have been operated with the volcanic heat for nearly a year with complete satisfaction and electric energy for manufacturing and domestic purposes has practically displaced coal which is both scarce and expensive.

Prince Ginori-Conti was the one to whom is due the credit of hitching up volcanic heat to perform the work of the neighborhood. He experimented with the powerful jets of steam forced up through the cracks in the ground and in 1903 tried to apply the waste energy to a steam motor. Afterwards a strong jet was used to run a small electric lighting set and enough electricity was generated to light the borax workings. The scheme was improved upon later when holes were bored in the ground and pipes driven down to tap the source of the steam some 300 or 500 feet below the surface. With bore holes varying from a foot to twenty inches in size, steam under a pressure of from two to five atmospheres and with a temperature of 150 to 190 degrees Centigrade enough power was obtained to operate an ordinary steam engine of 40 horsepower in 1906. The mechanical operation of the engine was a success, and it ran for several years with volcanic steam at practically no expense. The only disadvantage lay in the rapidity with which the natural salts and gases, mixed with the steam, rusted away the working parts of the engine.

Not to be discouraged by this difficulty Prince Ginori-Conti removed this undesirable feature by piping the superheated steam to a boiler and using it to heat the boiler and generate steam which did not contain the injurious salts and gases. Using the volcanic steam instead of fuel beneath an ordinary tubular boiler, he secured steam under a pressure of two atmospheres which he applied to a steam turbine connected to an electric generator and distributed the power to the city and outlying villages. So successful was the scheme that an extensive plant was planned and three turbo-electric generating units, each with a capacity of 3000 kilowatts, were installed. A specially constructed group of boilers with aluminum flues to prevent the corrosive effects of the natural steam was erected in connection with them, and in January, 1916, the first unit was started. Since that time all three units have been put in operation and have given entire satisfaction thus proving the success of the scheme and opening up a new field for the use of natural resources made to furnish heat, light and power.

This method of using the internal heat of the earth to generate electricity may be increased to many hundreds of thousands of horsepower, and the current already generated lights the cities of Leghorn, Florence, and many of the smaller towns of Tuscany.

The tax rate of the town of Redcliff, Alta., has been fixed at 11 mills, of which 10 mills is for municipal, and one mill for school purposes. The 1916 rate was 12 mills. A rebate of 10 per cent. is allowed for payment before June 30; of 7 per cent. before July 31, and of 5 per cent. before September 30.

Regularity of Income

Interest on our Guaranteed Trust Investments is paid half-yearly on fixed dates—January first, and July first. Sums of five hundred dollars and upwards are accepted. Booklet on request.

National Trust Company Limited

Capital paid-up, $1,500,000
Reserve $1,500,000

18-22 King Street East
TORONTO

Albert E. Dyment & Co.

(Members Toronto Stock Exchange)

Stock Brokers

402 Dominion Bank Building
TORONTO

War Bonds BOUGHT AND SOLD

John Stark & Co.

Members of Toronto Stock Exchange

504-505 Royal Bank Building
TORONTO

The UNION BANK OF AUSTRALIA, Ltd.

Established 1837. Incorporated 1880.

CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital .. £2,000,000
Reserve Fund ..... £1,960,000 Together £3,960,000
Reserve Liability of Proprietors £4,000,000
Total Capital and Reserve £7,960,000

Head Office: 71, CORNHILL, LONDON, E.C.

DIRECTORS.

HENRY P. STURGIS, Esq. (Chairman).
Arthur P. Blake, Esq.
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.

Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.

The Bank has 41 Branches in VICTORIA, 39 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Bonds for Investment

Due to unfailing natural resources, Canada's Pulp and Paper Industry is established on a solid foundation. Mortgage Bonds of Corporations engaged in this business—where are combined sufficient timber reserves, capable management and conservative capitalization—are sound investments, suitable for private or corporate funds.

We have purchased and offer several such issues. Particulars on request.

Royal Securities Corporation Limited

164 St. James Street - MONTREAL

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchanges, with prices at closing on May 30, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds; Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Bank	Figures (capital, reserves, dividends, ranges 1914–1917, close May 23 and May 30, week ending May 31)
British North America	[illegible]
Commerce	[illegible]
Dominion	[illegible]
Hamilton	[illegible]
Hochelaga	[illegible]
Imperial	[illegible]
Home Bank	[illegible]
Merchants	[illegible]
Molsons	[illegible]
Montreal	[illegible]
Nationale	[illegible]
Nova Scotia	[illegible]
Ottawa	[illegible]
Quebec	[illegible]
Royal	[illegible]
Standard	[illegible]
Sterling	[illegible]
Toronto	[illegible]
Union	[illegible]

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Company	Figures
Barcelona, T. L. and P.	[illegible]
Brazilian Traction L. and P.	[illegible]
Brazilian Traction, Pref.	[illegible]
Canada Steamship Lines, Com.	[illegible]
pref.	[illegible]
Canadian Pacific Railway	[illegible]
Civic Investment	[illegible]
Detroit United	[illegible]
Duluth Superior Traction Co., Com.	[illegible]
pref.	[illegible]
Halifax Electric, pref.	[illegible]
Illinois Traction, Com.	[illegible]
Illinois Traction, Preferred	[illegible]
Mexico North Western Railway	[illegible]
Mexico Tramways Co.	[illegible]
Minn., St. P. and S.S.M., com.	[illegible]
pref.	[illegible]
Montreal Tramways	[illegible]
Northern Ohio Traction	[illegible]
Porto Rico Railways Co., com.	[illegible]
pref.	[illegible]
Quebec Railway L., Heat & P. Co.	[illegible]
St. Law. & Chi. Steam Nav. Co.	[illegible]
Toronto Railway	[illegible]
Tri-City, preferred	[illegible]
Twin City, common	[illegible]
pref.	[illegible]
Winnipeg Electric	[illegible]

TELEGRAPH, LIGHT AND POWER UTILITIES

Company	Figures
Bell Telephone	[illegible]
Consumers Gas	[illegible]
Calgary Power	[illegible]
Mackay, common	[illegible]
preferred	[illegible]
Mexican Light and Power Co., com.	[illegible]
pref.	[illegible]
Montreal Power	[illegible]
Ottawa, Light, Heat and Power Co.	[illegible]
Shawinigan Water and Power Co.	[illegible]

INDUSTRIALS AND MISCELLANEOUS

Company	Figures
Ames Holden McCready Co., com.	[illegible]
pref.	[illegible]
British Col. Packers, com.	[illegible]
pref.	[illegible]
F. N. Burt Company, com.	[illegible]
pref.	[illegible]
Canada Bread, com.	[illegible]
pref.	[illegible]
Canada Machinery	[illegible]
Canada Cement, com.	[illegible]
pref.	[illegible]
Canadian Car and Foundry, com.	[illegible]
pref.	[illegible]
Canadian Converters	[illegible]
Canadian Cottons, Limited, com.	[illegible]
Canadian Cottons, Limited, pref.	[illegible]
Canadian Fairbanks-Morse, pref.	[illegible]
Canadian Foundries & Forgings, co.	[illegible]
pref.	[illegible]
Canadian Locomotive Co., com.	[illegible]
pref.	[illegible]
Can. Consolidated Rubber, com.	[illegible]
pref.	[illegible]
Canadian General Electric, com.	[illegible]
pref.	[illegible]
Carriage Factories, Limited, com.	[illegible]
pref.	[illegible]
City Dairy, com.	[illegible]
pref.	[illegible]
Dominion Bridge Co.	[illegible]
Dominion Canners, com.	[illegible]
pref.	[illegible]
Dominion Steel Corporation, com.	[illegible]
Dominion Iron and Steel, pref.	[illegible]
Dominion Coal, pref.	[illegible]
Dominion Textile, com.	[illegible]
pref.	[illegible]
Goodwins, Limited, com.	[illegible]
pref.	[illegible]
Goulds Manufacturing Co., com.	[illegible]
pref.	[illegible]
Lake Superior Corporation	[illegible]
Lake of Woods Milling Co., com.	[illegible]
pref.	[illegible]
Laurentide	[illegible]
Lyall Construction Co., com.	[illegible]
pref.	[illegible]
A. Macdonald Co., com.	[illegible]
pref.	[illegible]
Maple Leaf Milling, com.	[illegible]
pref.	[illegible]
Montreal Cottons, Ltd., com.	[illegible]
pref.	[illegible]
Monarch Knitting Co., com.	[illegible]
pref.	[illegible]
Nova Scotia Steel, com.	[illegible]
pref.	[illegible]
Ogilvie Flour, com.	[illegible]
pref.	[illegible]
Ont. Steel Products, com.	[illegible]
pref.	[illegible]
Pacific-Burt Co., com.	[illegible]
pref.	[illegible]
Penmans, Limited, com.	[illegible]
pref.	[illegible]
Price Bros.	[illegible]
Riordan Pulp and Paper, com.	[illegible]
William A. Rogers, Ltd., com.	[illegible]
pref.	[illegible]
Russell Motor Car, com.	[illegible]
pref.	[illegible]
Sawyer-Massey Co., com.	[illegible]
pref.	[illegible]
Sherwin-Williams, com.	[illegible]
pref.	[illegible]
Shredded Wheat, com.	[illegible]
pref.	[illegible]
Smart-Woods, Ltd., com.	[illegible]
pref.	[illegible]
Spanish River Pulp Mills, com.	[illegible]
pref.	[illegible]
Steel Co. of Canada, com.	[illegible]
pref.	[illegible]
Tooke Bros., com.	[illegible]
pref.	[illegible]
Toronto Paper Co.	[illegible]
Tuckett Tobacco, com.	[illegible]
pref.	[illegible]
Wayagamack, com.	[illegible]

NOTE—s—means semi-annually; q—quarterly; i—interim; L—Profit and loss; +—in dicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Loan and Trust	Figures
Canada Landed	[illegible]
Canada Permanent	[illegible]
Central Canada	[illegible]
Col. Investment	[illegible]
Great West Per.	[illegible]
Hamilton Provident	[illegible]
Huron and Erie	[illegible]
Landed Banking	[illegible]
London and Can. Loan	[illegible]
London Loan and Inv.	[illegible]
Montreal Trust	[illegible]
National Trust	[illegible]
Ont. Loan and Deb.	[illegible]
Real Estate Loan	[illegible]
Toronto Gen. Trusts	[illegible]
Toronto Mortgage Co.	[illegible]
Union Trust	[illegible]
Canada Life Assurance	[illegible]

Miscellaneous Companies	Figures
Canadian N. Prairie Lands	[illegible]
Canadian Salt	[illegible]
Can North-West Land	[illegible]
Confederation Life A.	[illegible]
Crows Nest Pass Coal	[illegible]
[illegible]	[illegible]
West India Electric	[illegible]

NOTE—s—means semi-annually; q—quarterly; i—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

GOVERNMENT IS ASKED TO AID SHIPBUILDING

Delegation from Vancouver Asks Assistance from Ottawa for B.C. Project.

A deputation representing the Vancouver Board of Trade, headed by Nichol Thompson, ex-president, was in Ottawa this week where they waited upon the Government and asked for assistance in the starting of a $5,000,000 to $10,000,000 steel shipbuilding industry at the Pacific Coast.

"We are building steel ships now both at Vancouver and Victoria, but we are dependent on our neighbors to the south for our steel. We want an iron and steel plant, especially fitted up for the turning out of all the steel and iron parts used in the building of steel ships," said Mr. Thompson. "The plant is all we need," he continued. "We have iron and coal in abundance, all along the coast for hundreds of miles, and at tide water. We think that British Columbia has every advantage for the building of wooden as well as iron ships. There is no finer timber in Canada for the building of ships than Douglas fir. But we recognize that the demand for wooden ships is temporary, and we are now trying to make provision for steel shipbuilding, which will be permanent.

"Every shipyard, from San Francisco to Vancouver, has ships on the stocks, and orders for many more. From Portland to San Francisco they have orders for ships of a total value of $17,000,000. Four wooden and one steel ships have been launched in British Columbia since the first of the present year. The steel ship was for a British firm and had a tonnage of 7,500.

"At the present time there are six wooden ships on the stocks at Vancouver, each to have a tonnage of about 1,500; there are four more wooden ships building at Victoria; and contracts will shortly be given by the British Munitions Board for the erection of ten wooden ships, each to register about 2,500 tons.

"The Wallace yards in Vancouver are now building a steel ship to register about 7,500 tons, and they have orders for two more. The Coughlin yards have contracts for three 7,000-ton steel ships; and Yarrow & Co., of Victoria, have orders for a number of small draft steel ships for river traffic in India."

"Not only is the shipbuilding industry prosperous in British Columbia, but the mining and lumbering industries are also doing particularly well, so that general business conditions have improved to a wonderful extent on the coast."

SUING SCHOOL BOARD.

Montreal Contractor Claims Large Sum for Extras on Buildings.

John Quinlan, contractor, is suing the Protestant Board of School Commissioners of Montreal, for $198,000, which amount he claims is due him under his contract for the excavation and foundation work of the High School and Administration Buildings on University street. The case has been in progress before the Superior Court for two weeks, and it is expected that it will take another week to complete the hearing. The cost of work, for which the plaintiff is suing, was under the conditions of the original contract to amount to $235,000, but the plaintiff said that so many changes were made from the original plans that $239,000 had to be added for extras, etc., thus more than doubling the contract price. The School Board has paid the sum of $291,000 on account, but have refused to pay the balance claimed.

In addition, the plaintiff claimed he was entitled to recover $15,000 damages sustained by reason of the neglect of the defendant board and its architects to give him possession of the site of the High School building and the party walls of the building on Shuter street, on both sides of the Administration Building, so that he might proceed with the work. The contention of the School Board is that the real value of the extra work is only $93,000. It was submitted on behalf of the defendants that $18,000 was all that remained due, and this amount has been paid into court.

POPULATION OF B. C.

According to the vital-statistics report for the year 1916 covering this province the population of British Columbia is now 383,380. This total is based on school-attendance figures The whole school attendance of the province in 1916 was 64,570; in Vancouver, Victoria, and South Vancouver the proportion of school attendance to population has been taken as 6½, and in the remainder of the province as 5½.

The report says: "The figures given show a shrinkage in the population of a little more than 12,000 from the number assumed for 1915." Some thousands of Chinese have gone back to their native land, all of whom were possessed of authority to return here. The Indian population is placed at 26,000; aliens, including Hindus, at 69,000.

AMERICAN AND BRITISH VIEW OF RAILWAY REPORT

Railway Age Gazette Endorses the Opinion of The Post.

THE SHAREHOLDERS' VIEW

British Financial Paper Uses Words "Spoliation and "Confiscation" in Referring to Proposals of Commission.

On the question of the Canadian railway problem, the POST has declared itself as against Government administration, and has taken a stand against the Drayton-Acworth report on the ground that its recommendation of a Government-appointed commission does not overcome the evils of public operation which itself so capably points out. In this connection we have the emphatic endorsation of the *Railway Age Gazette*, the editor of which publication, S. O. Dunne, has made a close study of the Canadian transportation situation, especially as regards the Intercolonial, and has been heard before the Canadian Clubs of Toronto and Montreal on the question of private and public operation.

Mr. Dunne describes the Drayton-Acworth report as one of the most able, conclusive analyses and condemnations of Government ownership in democratic countries ever written; it comments particularly upon the results heretofore produced by Government management of the Intercolonial in Canada; it concurs in all the strictures which have been made on the Government construction of the Transcontinental, and in addition it points out the folly which within recent years has characterized the Canadian Government's policy in promoting the excessive and highly duplicated construction of railway mileage. He argues that if there is any one point which both the majority and the minority reports cause to stand out more prominently than all others it is that the road of Government ownership and management is for Canada the high road to political and economic disaster, and reviews the situation as follows:—

Mr. Smith's plan is an out-and-out plan of private ownership management, except with respect to the Intercolonial and part of the Transcontinental. Since the other members of the commission agree that private management is preferable to government management, why did they not concur in it? The answer is to be found in the financial relations which exist between the government of Canada and the Canadian Northern and the Grand Trunk Pacific. The government in the form of guarantees of bonds, land grants, etc., has furnished very much the larger part of the capital which has been invested in these properties. Both of them have thus far proved so unprofitable that the government has had to make advances on its guarantees, and whether they are left in the hands of private companies or taken over by the government the latter will have to make good deficits for them for some years to come. The great objection made to leaving them in private hands is that the public would have to support them financially during their present period of stress and adversity, while if later they became successful enterprises private companies would enjoy the benefits of their prosperity.

But is this a valid objection? The matter should, of course, be looked at entirely from the standpoint of the present and future welfare of the people of Canada. Their welfare, so far as these railways are concerned, will be determined, first, by the quality and adequacy of the service rendered by the railways to the public, and, second, by the total amount in rates and in taxes which the people have to pay for this service. It is perfectly evident that the quality and adequacy of the service of these railways and the amount which directly and indirectly it will cost the people of Canada will depend mainly upon the efficiency with which the properties are managed. It is also certain that in order to secure under private ownership the greatest efficiency in management it would be necessary for the government to hold out to the private owners the prospect of ample reward for developing and operating the properties efficiently.

But is the giving of ample reward to the owners and managers of private railway companies incompatible with securing the best and cheapest service for the public? On the contrary, a large part of the report of Sir H. L. Drayton and Mr. Acworth is devoted to demonstrating the proposition that ordinarily under democratic conditions the public will secure good and adequate service at less cost to itself by leaving the railways in private hands and letting their owners enjoy a reasonable profit than by itself taking over their ownership and operation. Therefore, as between private ownership and government ownership and operation in the ordinary form, the majority of the commission would prefer the former. They say so expressly.

They suggest, however, a plan which they regard as a compromise between private management and direct government management. The plan they have suggested undoubtedly would be better than the sort of direct government management which has caused the Intercolonial Railway to be a failure for 50 years. But, as Mr. Smith suggests, if one parliament can create a government board to manage this great proposed system of 20,000 miles, they can not another parliament abolish the board and turn the entire system over to political management under the minister of railways? The majority of the commission agree with Mr. Smith that it would be far better to leave the present private railways in private hands than to have this occur.

Suppose that the board of trustees proposed should be created and should be given all the authority suggested and left to exercise it without interference from parliament. Would efficient management be secured even then? The management, under the restrictions proposed, would be better than direct government management, but that it would be as enterprising and efficient as private management seems most doubtful. In the first place, the board of trustees would not have the same incentive to cause the properties to be operated enterprisingly and efficiently as a board of directors of a private company has. In the second place, it is not probable, as able men could be secured for trustees as could ordinarily be secured for railway directors and officers because the trustees would be required, as we understand it, to give up all their other business connections and devote themselves entirely to the affairs of the railway system. It the third place, a board of trustees devoting itself entirely to the management of the railway system would be a clumsy device for management. Any commercial concern to be successfully managed must have its executive work conducted under the direct supervision, not of five men, but of one man. Only under this system is there certainty of responsibility, promptness of decision and celerity of action. As the actual executive head of a railway system four men would be better than five men, three men better than four men, and one man better than any other number of men.

The British Attitude.

In England, opinion is naturally concerned with the effects of the recommendations upon the affairs of the shareholders than upon the service to the country. In this connection, both reports come in for very strong condemnation and the words "spoilation" and "confiscation" are used in describing the proposals of the majority report, while those of the minority report appear to be little better favored. The following is from *The Financier* of London:—

Quite the most unsatisfactory and controversial part of the Commissioners' recommendations is the proposal they make as to the terms upon which the company's system should be acquired. It "cannot be expected," the Commissioners declare, that the company's stock should be acquired "on the basis of past dividends"! This extraordinary view is apparently based on their belief, in support of which little or no evidence is advanced, that the Grand Trunk is not and will not be for some time to come in a position entitling it to pay out any money at all in dividends! A statement like this is well calculated to startle the shareholders, who will also be concerned to learn that the Commissioners "regard the entire share capital of the company as being intrinsically of but small value at the present time," and that "on the basis of present value of maintainable income, the fair compensation would be very small." The Commissioners condescendingly add, however, that this is "a case for generosity rather than strict justice." Their ideas of generosity, to say the least, are somewhat novel. What they suggest is that the Government grants to the company a certain annuity charged as a working expense on the whole undertaking of the Dominion Railway Company (the suggested Government controlled operating company of the controlled railways) for the first seven years, increasing at the end of that period by something like 40 or 50 per cent. They do not name the precise amount, which must necessarily be a matter of negotiation, but their "meaning is that the first figure should be a moderate but substantial percentage of 3,600,000 dollars, the average dividend payment for the past ten years. By the shareholders of the Grand Trunk Company such a proposition could not be seriously entertained. It amounts to not compensation, but confiscation, and we are persuaded that the Canadian Government would never venture to lay before Parliament proposals involving such a drastic measure of spoliation. If it did, the result would assuredly be disastrous to Canadian credit, as it would shatter public confidence in the Dominion authorities' sense of justice and fair play.

As an alternative to nationalization Mr. Smith proposes, in the first instance, that the Grand Trunk shareholders should give up their dividends for the present—Grand Trunk shareholders, we should imagine, will be pleased by this suggestion—and apply the earnings to the betterment of the road, while the Government relieves the company of the financial burden of the Grand Trunk Pacific. Is it seriously suggested, we wonder, that in the past the company has been paying dividends at the expense of betterments? If this is the allegation, the directors may safely be left to reply to the charge. From the shareholders' point of view, we feel certain, the nationalization of their property, if it were effected on a basis that provided adequate financial compensation, would be preferable to an indefinite suspension of dividends.

TO HAVE INCOME TAX.

City of Moose Jaw Will Tax All Incomes Over $1,000.

The income tax is coming into effect in Saskatchewan cities. In Moose Jaw, a canvass of all business houses is now being made by the assessor's department under a scheme being put into effect by commissioners. The tax will not affect those earning less than $1,000 per year, but salaried employees who earn over this amount and who do not already pay taxes as property owners will be required to contribute a portion of their earnings to the city treasurer. It is intended in this way that single men and livers in rented houses will contribute their fair share to the upkeep of the city.

All employers of labor are receiving a letter in which they are called upon to furnish the city hall authorities with a list of their workers who earn more than $1,000 a year. This sum is then deducted from the total salary and a tax rate will be levied upon the remaining sum. It has not yet been decided what rate will be set but this matter is expected to be taken up by the council when the census is completed. It is believed that the proposed tax will amount to about $5 for a man who earns $500 in excess of the thousand dollar figure.

The income tax will be levied under the provincial act, which gives cities the authority to set an income tax for civic expenses if they see fit.

SASKATCHEWAN LOAN.

Considerable Improvement Shown in Profits for Last Year.

A substantial improvement in the earnings of the Saskatchewan Loan & Investment Company for the year ending February 28, 1917, is shown in the annual statement. The revenue amounted to $22,446, compared with $18,357 in the previous year; expenses were increased by only $35, while war taxes were $100 more. Deductions for these items left net profits of $19,484, compared with $15,530 for the previous period.

Some important changes in the capital position of the company are indicated. The directors during the year cancelled sundry accumulated stock holdings, resulting in financial benefits amounting to $19,159. With the net profits and previous balance, the surplus account showed a total for distribution of $43,805. Of this amount $5,000 was deducted for reserve for depreciation; $15,000 transferred to the rest account; $14,922 paid in dividends, and a surplus of $8,883 carried forward. Following are comparative figures:—

	1916	1917
Profits	$18,357	$22,446
Expenses	2,327	2,362
War Tax	500	500
	$2,827	$2,962
Net profit	$15,530	$19,484
Brought forward	3,893	5,162
Cont. reserve	893	....
Adjustments	235	19,159
	$20,551	$43,805
Dep. reserve	....	5,000
	$20,551	$38,805
Dividends	12,639	14,922
Rest	2,750	15,000
Surplus	5,162	8,883
	$20,551	$28,805

The statement of assets and liabilities shows that the amount of subscribed capital has been reduced from $614,950 to $442,600. The amount paid up on permanent stock has increased from $91,000 to $164,000, and permanent stock on account has decreased from $91,000 to $164,500, and total paid up capital being increased from $230,681 to $253,987. Total assets have increased from $236,773 to $299,622, the bulk of which is indicated by mortgage loans being increased from $228,307 to $291,210. The cash holdings are about $5,000 larger.

AUTHORITATIVE CONDEMNATION V.A.D. HOSPITALS.

Continued from page 1

to say nothing of other economies in personnel and equipment which would follow. The convalescent soldier recovering from sickness or wound no doubt appreciates the sheltered life in a little country hospital where he is waited upon by sympathetic ladies, and military discipline is not very strict; but for every soldier whose recovery is hastened in this way there must be many whose return to duty is delayed. The result of a readjustment of the present arrangement with regard to the smaller hospitals throughout the country might therefore, there is good reason to think, lead not only to an economy in medical and nursing personnel, but also be of direct benefit to the men themselves."

SOME HOPE FOR A REORGANIZED NATIONAL GOVERNMENT IN CANADA

Continued from page 1.

jobs, and the self-seekers are pretty sharply dealt with. Last week Robert S. Lovett, Chairman of the Board of the Union Pacific Railway, volunteered to give practically the whole of his time during the war to any work which the Red Cross may assign to him. His offer has been accepted and he will take the Chairmanship of a National Committee on Co-operation in charge of the important work of preventing duplication and waste, and to bring about the utmost economy of effort in Red Cross work.

Mr. Lovett is the man whom the late Mr. Harriman picked out as his successor to run the Union Pacific Railway. Now he comes forward and places his wide experience and fine judgment at the disposal of the Red Cross in this war.

Dominion Steel Corporation, Ltd. and Constituent Companies

Annual Report and Statement, March 31st, 1917

Report of the Board of Directors to the Shareholders of the DOMINION STEEL CORPORATION, LIMITED, To be presented at the Annual Meeting on Thursday, 14th June, 1917.

FINANCES.

Your Directors submit herewith the Consolidated Balance Sheet as at 31st March, 1917, and the Profit and Loss Account for the year ending at that date.

The net earnings for the year after making due provision for bad and doubtful debts and other contingencies were $12,967,874.67.

From this amount there has been reserved for depreciation of plants and properties, sinking funds, etc., the sum of $1.859,595.91.

This is in excess of the amounts reserved for similar purposes in past years, but is rendered necessary by prevailing conditions. The more exacting nature of the processes employed in producing steel for munitions purposes and the increase in the tonnage of materials passing from process to process has resulted in more than ordinary strain upon the various manufacturing units. The diversion of the mills from the purposes for which they were originally designed has had the effect of depreciating their efficiency for those purposes. It will be necessary to thoroughly overhaul the various units and it is therefore considered that proper provision for these contingencies should be made from current earnings.

The amount required for Bond Interest in the year was $1,230,203.69. In comparison with previous years there was no other charge for Interest. On the contrary the revenues of the Corporation include a moderate sum derived from the investment of surplus funds. The net improvement in respect to Interest amounted to $421,264.40 over the year ending 31st March, 1916, and to $482,701.19 over the year ending 31st March, 1915.

In addition to $350,000.00 balance of arrears of Dividends on the Preferred Stock of the Dominion Iron & Steel Company, Limited, paid 1st July, 1916, regular Dividends have been paid on the Preference Shares of the Corporation and on the Preferred Stocks of the Dominion Coal Company and Dominion Iron & Steel Company. On 23rd March last a Dividend of 1% on the Common Shares of the Corporation was declared payable on 16th April. After making due provision for Bond Interest and Preferred Dividends paid and accrued the balance to be carried to surplus account is $8,571,165.80.

Your Directors again have pleasure in noting a number of elements in the Balance Sheet which are of more than ordinary Interest.

The entire issue of the Six Per Cent. five year Notes of the Corporation maturing 1st December, 1918, amounting to $3,406,666.67 was called for payment on 1st December, 1916, and up to the time the accounts for the year were closed all but $484,233.30 had been redeemed. These had not been presented for payment.

The aggregate reduction in the Funded and Mortgage Debts of the Corporation and the Constituent Companies during the year was $3,501,709.70.

The proportion of Current Assets to Current Liabilities which a year ago was four to one is now about seven to one.

Your Directors have considered it advisable to devote a portion of the past year's earnings to the extinction of the item Discount and Premiums on Securities which has hitherto been carried on the Balance Sheet under the heading of Assets. The sum of $2,890,395.34 has accordingly been appropriated to this purpose.

Your Directors in pursuance of the policy approved by the Shareholders at the last Annual General Meeting, have undertaken measures for the extension and improvement of your properties, more particularly those of the Dominion Iron & Steel Company, Limited.

The most important of these are the construction of two batteries of Koppers By-Product Coke Ovens and extensive development of the Iron Ore Mines in Newfoundland, both of which will strengthen the position of the Corporation in respect to the output of iron and steel. The whole cost of these undertakings and of others that have been authorized will not be expended during the current year, but your Directors have reserved on this account and for other contingencies the sum of $3,000,000.

OPERATIONS.

The conditions relating to the working forces of the several Constituent Companies which were noted in the last Annual Report have not greatly changed.

Following upon the increases in the wage scale which were granted in January and May, 1916, further adjustments have been made as follows:

DOMINION COAL COMPANY, LIMITED. On November 1st, 1916, the wage scale was revised so that the 4% increase which was to have come into effect on 1st January, 1917, was anticipated and became effective on 1st November, together with a general war bonus of 10% upon gross earnings of all employees and an additional bonus of 5% for steady work to be paid to all employees working twenty-two days in any four weeks.

During the year certain differences arose between the members of the Provincial Workmen's Association and other employees of the Dominion Coal Company which resulted in an appeal by both parties to the Minister of Labor, who appointed a Commission to investigate these differences and at the same time to enquire into the wage question which had again become the subject of discussion.

The Commission was successful in resolving the differences between the workmen and in effecting an adjustment of the wage scale which was acceptable to the Company and the men. The new schedule became effective on 1st May and provides that all the lower day rates are to be increased 10c. per day and that these and all other existing rates are to be advanced 12½ per cent.

DOMINION IRON & STEEL COMPANY, LIMITED. Following upon the general increase of 10 per cent. on all operating rates which was made effective in May, 1916, a further increase of 10 per cent. was granted on 1st November last.

In addition to those general increases, numerous adjustments of individual rates were made from time to time and on 1st May, 1917, all operating rates then in force were again advanced 10 per cent.

These increases which in the aggregate amount to between forty and fifty per cent. upon the previously existing rates, will very considerably increase the cost of all materials produced for sale.

OUTPUT AND SHIPMENTS.

COAL.—The total production from all Collieries for the past five years was as follows:

Year ending 31st March,	1917	4,279,772 tons.
" "	1916	5,261,198 "
" "	1915	4,550,512 "
" "	1914	5,047,683 "
" "	1913	5,051,603 "

It will be noted that last year's output shows a reduction as compared with several years past. The causes of this falling off were beyond the control of your Directors, arising for the most part from the scarcity of men consequent upon enlistment for services overseas, and also to a considerable extent from the lack of adequate transportation facilities.

IRON AND STEEL.—The tonnage of pig iron produced exceeds the output in any previous year. The output of steel ingots is also greater than ever before.

The following table gives the annual production of the principal classes of iron and steel materials in the last two years:

	Year ending 31st March 1917	Year ending 31st March 1916
Pig Iron	346,926	329,664
Steel Ingots	377,079	371,086
Blooms and Billets for sale	144,051	142,282
Rails	17,495	35,197
Wire Rods for sale	67,492	55,106
Bars	5,259	8,017
*Wire	35,142	36,058
Nails	20,175	19,262

*This includes wire used in manufacture of nails shown in next line.

The distribution of shipments continues to follow the lines indicated in last year's report. The production of steel for munitions in the form of shell blanks, barbed wire, etc., has, however, advanced to the first place in importance, and preference is given to this over all other forms of steel. The next element in order of importance is the material furnished to manufacturers in Great Britain, France and Canada, engaged in the production of war materials for which a strong demand still continues.

CHANGES.

Your Directors have to record their regret for the loss of valued colleagues, through the death of His Honour David MacKeen, Lieutenant-Governor of Nova Scotia, and the Honourable Robert Mackay, Senator of Canada, both members of the Board of Directors of the Corporation since its organization and of the Boards of the chief constituent companies for many years previously. Their mature and conservative counsel will be greatly missed by the Board.

To fill these vacancies your Directors elected Sir William D. Reid, and Mr. J. K. L. Ross to be members of the Board of the Corporation.

STAFF.

Your Directors have pleasure in expressing their appreciation of the service rendered by its officers and by the officers and employees of the Constituent Companies.

All of which is respectfully submitted.

For the Board of Directors,

MARK WORKMAN, *President.*

Montreal, 29th May, 1917.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the fiscal year ending March 31, 1917.

Net Earnings, after deducting all Manufacturing, Selling and Administrative Expenses, amortization of Munitions Plant and Equipment and Business Profits Tax to March 31, 1916, but before charging provision for Sinking Funds and Depreciation and Interest		$12,967,874.67
Deduct—Provision for Sinking Funds, Depreciation and Renewals, etc.		1,859,595.91
		$11,108,278.76
Deduct also		
Interest on Bonds and Debentures	$1,230,203.69	
Discount on Securities, amount written off	326,909.37	
		1,557,113.06
Net Earnings		$ 9,551,165.70
Less—Preference Dividends for year ending March 31, 1917:		
Dominion Steel Corporation, Limited	$ 420,000.00	
Constituent Companies	560,000.00	
		980,000.00
		$ 8,571,165.70
Add—Balance April 1, 1916		4,037,389.01
		$12,608,554.71
Less—Dividends:		
1% on Common Shares of Dominion Steel Corporation, Limited	$ 320,977.00	
Arrears of Dividend on Preferred Stock of Dominion Iron & Steel Co., Ltd., paid July 1st, 1916	350,000.00	
		670,977.00
Balance March 31, 1917		$11,937,577.71

CONSOLIDATED BALANCE SHEET at March 31, 1917.

ASSETS

Cost of Properties		$80,480,440.82	
Less—Reserves for Depreciation and exhaustion of Mineral Areas		13,079,351.35	
			$67,401,089.47
Notes Receivable and Cash in Hands of Trustees			124,447.69
Current and Working Assets:			
Inventories		5,607,618.55	
Accounts Receivable		3,894,939.42	
Investments in War Loans, etc	$1,085,671.15		
Cash on hand and in Banks, Secured Loans, etc.	4,858,167.25	5,943,838.40	
			15,446,396.37
Deferred Charges to Operations:			
Insurance and other expenses paid in advance			554,888.49
			$83,526,822.02

LIABILITIES

Funded and Mortgage Debt:			
Dominion Coal Company, Limited:			
First Mortgage 5% Bonds (due 1940)			$ 6,300,500.00
Dominion Iron & Steel Company, Limited:			
First Mortgage 5% Bonds (due 1929)		$ 6,652,000.00	
Consolidated Mortgage 5% Bonds (due 1939)		7,426,533.33	
			14,078,533.33
Cumberland Railway & Coal Company:			
First Mortgage 5% Bonds (due 1940)			1,142,000.00
Dominion Shipping Company:			
Serial Debentures			117,000.00
Dominion Steel Corporation, Limited:			
5% Five Year Debentures (due 1915)		$ 2,000.00	
6% Five Year Notes (called for redemption)		484,233.30	
6% Employees' Debentures		43,100.00	
			529,333.30
			$22,167,366.63
Current Liabilities:			
Accounts Payable, Wages accrued, etc.		$ 1,572,530.14	
Accrued Interest on Bonds		246,731.07	
Dividends declared on Common Shares of Dominion Steel Corporation Ltd. and Preferred Stock of Dominion Iron & Steel Company, Ltd.		495,977.00	
			2,315,238.21
Reserves:			
Furnace re-lining and other reserves		$ 1,238,657.29	
Preferred Stock Dividends accrued		105,000.00	
Outstanding Stock Interests in Constituent Companies		5,967.06	
			1,349,624.35
Capital Stock:			
Preference Shares of Corporation (6%)		$ 7,000,000.00	
Preferred Stocks:			
Dominion Coal Company, Ltd. (7%)	$ 3,000,000.00		
Dominion Iron & Steel Co., Ltd. (7%)	5,000,000.00		
		8,000,000.00	
Common Stock of Corporation	37,097,700.00		
Less held by Constitutent Companies	5,000,000.00		
		32,097,700.00	
			47,097,700.00
Special reserve appropriated for construction expenditures and for taxes payable under Business Profits Tax Act, 1916			3,000,000.00
Surplus:			
Total Surplus of the Several Constituent Companies at dates of acquisition in excess of premiums paid on purchase of Stock thereof		$ 1,558,710.46	
Profit and Loss Balance as per statement attached		11,937,577.71	
		$13,496,288.17	
Deduct: Special Appropriations:			
To write off discounts and premiums on Securities (hitherto carried as an Asset) the balance of which at March 31, 1917, amounts to	$2,890,395.34		
To provide for Construction Expenditures and for Taxes payable under Business Profits Tax Act, 1916	3,000,000.00		
		5,890,395.34	
			7,596,892.83
			$83,526,822.02

NOTE.—In addition to the Bonds outstanding as stated above, £734,000 Consolidated and $975,000 Cumberland Bonds are deposited as security to 5 year secured notes which have been called in for redemption.

We have audited the books and accounts of the Dominion Steel Corporation, Limited, and its Constituent Companies for the fiscal year ending March 31st, 1917, and we certify that the above Balance Sheet is properly drawn up and in our opinion shows the true financial position of the Combined Companies at March 31st, 1917, and that the relative Profit and Loss Account is a fair and correct statement of the results of the operations for the year.

PRICE, WATERHOUSE & CO., Chartered Accountants.

Robert Cassels W. G. H. Browne

Cassels, Browne & Co.

Members Toronto Stock Exchange

318 Dominion Bank Building

TORONTO

Direct Private Wire to New York, Chicago and Washington.

Watch Your Investments

There is no investment on earth you can buy and put away, and go off and forget about. Every day there goes on a readjustment of security values, and it is safer to know something about what you have your money in—or can put it in.

The successful investors use Standard Card Reports to keep in touch with the endless shifting in security values.

Available now to individuals on all listed Canadian and American corporations at 50 cents each. Banks and Brokerage firms have used these Standard Card Reports for fifteen years.

Address

Standard Statistics Co.

47 West St., New York City

STOCKS WANTED

Dominion Sugar

Standard Reliance Mortgage

Trust and Guarantee

J. E. CARTER

Investment Broker, GUELPH, ONT.

Large Loans Negotiated

Accounts Cashed

L. N. ROSENBAUM & CO.

80 Wall St., New York

ERICKSON PERKINS & CO.

Members New York Stock Exchange

STOCKS AND BONDS

Private Wires

14 KING STREET WEST

TORONTO

Consider the Cost

A fact not generally understood by those drawing up a will, is that the highly specialized and competent services rendered by a Trusts Corporation cost no more than the uncertain service of an individual trustee.

When you consider that your estate will receive the benefit of experience gained in the management of many estates, your heirs will be assured the utmost protection.

When you make your will, why not insure efficient and economical management of your estate, by appointing this Company as Executor and Trustee?

We make no charge for assisting in drawing up your will—and will store it in our Safety Deposit Vaults free, when we are named as executors.

An officer of the company will be pleased to give you full information and advise on wills.

THE STERLING TRUSTS CORPORATION

President: W. S. DINNICK Managing Director: HERBERT WADDINGTON

80 KING ST. EAST · TORONTO

Telephone Main 2717

MONEY, BANKING AND EXCHANGE

Bank Clearings Throughout the Dominion During May Increased by 30.9 per cent.—For the Week the Gain was 32.2 per cent.

For the week ending Thursday last the returns of bank clearings, made officially to the Financial Post, showed a gain for the Dominion as compared with the corresponding period in 1916, of 32.3 per cent., the gain in the West being 52.8 per cent and in the East 23.6 per cent. The cities in the West to show the largest gains were, Lethbridge 99.5; Saskatoon 77.8; Regina 63.0; Winnipeg 60.1 and Moose Jaw 47.1 per cent. In the East Sherbrooke showed an increase of 75.1; Peterboro 39.2 and Toronto 33.7 per cent. For the year to date the gain was 29.7 per cent. Following are comparative figures.

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	May 31, 1917.	Change.	%
Montreal	$ 88,359,358 +	$ 13,036,442	17.3
Toronto	66,780,889 +	16,829,179	33.7
Ottawa	5,858,805 +	382,916	7.7
Hamilton	5,034,577 +	1,110,881	28.3
Quebec	4,395,459 +	974,263	28.4
Halifax	3,081,815 +	472,603	18.2
London	2,054,561 +	119,113	6.2
St. John	2,252,152 +	669,152	44.6
Brantford	827,924 +	202,616	32.9
Peterboro	671,787 +	188,297	39.2
Sherbrooke	755,982 +	323,190	75.1
Kitchener	607,372 +	29,294	5.1
Total, East	$180,180,711 +	$ 34,338,942	23.6

Western Cities.

	May 31, 1917.	Change.	%
Winnipeg	$ 65,511,318 +	$ 24,601,075	60.1
Vancouver	7,501,091 +	1,538,043	25.3
Calgary	6,744,510 +	2,462,922	57.5
Edmonton	2,660,845 +	603,103	29.4
Victoria	1,790,232 —	105,503	5.6
Regina	3,122,985 +	1,204,159	63.0
Saskatoon	1,871,375 +	817,259	77.8
Moose Jaw	1,109,103 +	353,680	47.1
F. William	663,080 —	124,546	23.5
Brandon	420,611 —	38,236	8.5
Lethbridge	888,863 +	438,070	99.5
N. Westmin'r	345,323 +	59,579	21.2
Medicine Hat	534,091 +	155,444	42.0
Total, West	$ 93,263,422 +	$ 32,214,143	52.8
Grand total	$273,444,133 +	$ 66,553,085	32.3
Year to date	$5,041,336,568 +	$1,152,164,156	29.7

For the month of May, bank clearings for the Dominion amounted to $1,196,867,289 as compared with $914,040,542 for the same month in 1916, a gain of $282,826,747, or 30.9 per cent., which compares with a gain for April of 47.2 per cent. The gain in the West was 58.6 per cent. and in the East 20.1 per cent. For the month the returns are as follows:

MONTHLY BANK CLEARINGS.

(In comparison with same month last year.)

Eastern Cities.

	May, 1917.	Change.	%
Montreal	$391,395,064 +	$ 58,466,437	17.5
Toronto	284,304,551 +	53,836,808	23.4
Ottawa	26,152,598 +	3,768,167	16.9
Hamilton	22,195,355 +	5,375,758	32.0
Quebec	19,711,061 +	2,553,679	14.9
Halifax	13,931,665 +	3,566,319	34.6
London	9,968,629 +	829,205	9.0
St. John	9,444,776 +	1,171,589	14.1
Brantford	3,868,011 +	1,061,930	37.9
Peterboro	2,867,036 +	619,981	27.7
Sherbrooke	3,356,029 +	996,321	43.3
Kitchener	2,905,448 +	422,390	17.0
Total, East	$790,630,223 +	$132,668,584	20.1

Western Cities.

	May, 1917.	Change.	%
Winnipeg	$286,596,548 +	$117,409,285	69.4
Vancouver	33,153,457 +	7,082,984	27.2
Calgary	29,986,696 +	11,401,128	61.6
Edmonton	11,566,059 +	2,291,520	24.7
Victoria	7,015,602 +	360,292	5.4
Regina	12,905,464 +	4,492,129	53.4
Saskatoon	7,584,121 +	2,741,457	56.6
Moose Jaw	4,759,882 +	1,028,904	27.5
F. William	2,747,505 +	533,580	24.1
Brandon	2,193,090 +	121,803	5.8
Lethbridge	3,622,051 +	1,511,622	71.6
N. Westmin'r	1,458,012 +	198,778	15.9
Medicine Hat	2,638,579 +	984,681	59.7
Total, West	$406,237,066 +	$150,158,163	58.6
Grand total	$1,196,867,289 +	$282,826,747	30.9

MONEY.

Call money in London has been steady this week at 4 per cent., with a tendency to hardness on account of war loan payments. The rate in New York has been up to 3 per cent., but has ruled for the most part at 2½ per cent. Interest in the American money market centres in the flotation of the Liberty Loan. While none of this loan will likely be taken by Canadians, apart from the amounts credited to the Canadian Pacific Railway Co., and the Bank of Montreal, it is highly probable that some of the funds raised by the United States Government through the sale of the bonds, will find their way to Canada in the way of loans to the British Government for payment of Canadian munition contracts.

EXCHANGE.

The heaviness in New York funds, as forecast last week, had its outcome this week in a decline in quotations to par. The opening quote was 1-16 per cent. premium, but this quickly vanished and the price has ruled fairly steadily from par to 1-32 per cent. premium most of the week. The heaviness is directly attributable to the movement of grain.

Both demand sterling and cables have been unchanged, the former at 4.75 9-16 and the latter at 4.76 7-16.

Francs showed weakness. Opening at 5.71¾ for demand; 5.70¾ for cables, they fell off to 5.72 and 5.71 respectively.

Roubles were also heavy, the obscurity of the Russian situation acting as a depressing influence. They opened at 27.15 and 27.25 for demand and cables, but sold down to 26.25 and 26.35.

DOMINION.

The Dominion Bank is the plaintiff before Judge Winchester, who is acting as arbitrator, to recover $137,000 damage, it is alleged, was done their property by the grade separation work on Yonge Street at North Toronto. The damage done to the bank site is estimated at $87,000, and the loss of business caused by the diversion of traffic during the work and the lowering of the grade at Yonge Street at $50,000.

"The result of the work has been to destroy what I considered one of the most valuable branch bank sites in the city," stated Mr. J. W. B. Welsh, manager of the Dominion Bank, Yonge and Cottingham Streets, in the witness box.

Before the grade separation started, the bank at the south-west corner of Yonge and Cottingham was convenient to the terminals of the Yonge Street cars, the Metropolitan and North Toronto station. Now the bank is on the north-west corner of a new street opened by the removal of the stores at 1072 and 1074 Yonge Street to give access to the old station, and is reached by a flight of seven steps. The north corner of the building is four feet four inches above the level of the sidewalk, and the south side over two feet.

"If a motor was stopped in front of our building it would likely roll into the subway," remarked Mr. Walsh. "People constantly complain about the steps, and only old customers or those with great confidence in the bank stay with us. Naturally new customers go to the bank most conveniently reached."

Mr. N. W. Rowell, K.C., is appearing for the bank, Mr. Angus MacMurchy, K.C., for the C.P.R., and W. N. Tilley, K.C., and I. S. Fairty for the city. The case is not yet concluded.

The Dominion Bank has declared its regular quarterly dividend of 3 per cent., payable July 3, to stockholders of record, June 20.

MONTREAL.

A branch of the Bank of Montreal has been opened at Camp Borden, Ont., for the convenience of the troops, with J. Morris in charge, with the title of sub-agent.

COMMERCE.

A sub-agency of the Canadian Bank of Commerce has been opened at Port Greville, N.S., under the supervision of the Parrsboro manager, J. R. Harrison.

HOME.

The annual meeting of the Home Bank shareholders will be held at noon on Tuesday, June 26.

A branch of the Home Bank has been opened at Camp Borden for the convenience of the troops.

ROYAL.

Pte. D. Archibald Brown, who before enlisting was employed by the Royal Bank at Stettler, is reported as having been killed in action on April 28 last. Pte. Brown left with his battalion from Calgary in the fall of 1915.

Lieut. J. G. Laurie, formerly on the staff of the Royal Bank at Orillia, is reported as having been killed in action. Lieut. Laurie left Orillia in February, 1916, to join a Highland Battalion at Hamilton. He qualified for a captain's commission, but reverted to the rank of lieutenant.

IMPERIAL.

Pte. Roland A. Bindey, a former employee of the Imperial Bank at Vancouver, and who before enlistment was living at Bowen Island, is reported as being severely gassed at one of the preliminary engagements of the battle of Vimy Ridge.

J. E. Breckenridge, who has been teller at the Fort William branch of the Imperial Bank for the past year, has been transferred to the branch at Timmins, Ont.

DOMINION NOTES.

A report from Ottawa says that Canada will probably issue specially designed Dominion notes of the various smaller denominations to commemorate the fiftieth anniversary of Confederation. They will be one dollar, two dollar, five dollar and ten dollar bills.

Hon. Charles Marcil made the suggestion to the Government when the House was in supply on the civil service estimates of the Finance Department tonight. The Bonaventure Liberal suggested either the making of souvenir currency, or postal cards and postage stamps. The suggestion was accompanied by counsel from Hon. Charles Murphy as to the avoidance of any unnecessary expense.

Sir Thomas White, Minister of Finance, stated that the suggestion was worthy of most serious consideration. The suggestion of a souvenir currency, rather than a souvenir series of postage stamps or cards, commended itself to him. "I will give some thought to it," he observed, with an intimation that action would be taken if the cost were not too great.

AMENDMENTS IN BANK ACT.

Two Government bills effecting amendments in the Bank Acts have been introduced by Sir Thomas White at Ottawa. One amendment is to enable penny banks to invest in Government securities, while the second proposes to allow banks to lend money to farmers on the security of their live stock. Both measures got a first reading.

TO CONTINUE GOLD SHIPMENTS.

Lord Cunliffe Says Purpose Will be to Keep Money Rates Low.

Lord Cunliffe, Governor of the Bank of England, in an interview in New York, made some interesting remarks relative to British and United States financial problems arising from the war. Certain questions were submitted to Lord Cunliffe, and he attempted to answer them categorically. He pointed out that in financial matters, as well as in military affairs, the mission here was ready to give us the benefits of their mistakes. There was no intention of dictating what should be done, but it was hoped that Great Britain's experience in finance would be of some use to the United States Government.

In answer to the question whether it would be necessary for Great Britain to continue shipping gold to this market, Lord Cunliffe replied that the British Government intended to ship as much gold as they could spare. It was hoped to continue such gold shipments to the United States as was required for exchange purposes. The effect of these shipments would be to reduce rate of interest in the United States, although it would undoubtedly tend to keep interest rates high in England. He could not speak for France because of its different monetary system. It was decidedly to Great Britain's advantage that rates here should be kept low, as the Allies expected to be very large borrowers on this side. If the United States Government had to pay high rates for its loans, the Allies borrowing here would naturally also have to pay high rates. Lord Cunliffe hoped that rates here would not go up materially, but the borrowings of the Allies would have to be extensive, and it was too early to say what the effect upon the American money market would be.

As to the new relations established between the Bank of England and the Federal Reserve Bank, he said that up to the present no business had been done, but that they hoped very shortly to commence operating on some reciprocal arrangement. Discounting of commercial paper is likely to be the principal transaction between the two institutions. Commercial paper is now scarce in England, and it was inferred that the supply would be somewhat increased by this arrangement.

In connection with this reciprocal arrangement, Lord Cunliffe was asked whether the Bank of England would make a deposit of cash here to start with. He said that he thought there would be such a deposit, but it is not likely to be very much, "because we haven't much to spare." As the Bank of England did not pay interest on deposits it would certainly not expect the Federal Reserve banks to do so, on any Bank of England deposits.

Asked whether, in his judgment, it would be a long time after the war before England would be able to redeem its note issues with gold, Lord Cunliffe said, "You know, no doubt, that the French system of banking never has been unreservedly to exchange gold for notes. England has done so, and I hope will continue to do so. We should get back to the habit of carrying gold sovereigns in our pockets. But once having tasted the convenience of the £1 and 10s. treasury notes, I doubt if the public would go back to using sovereigns, even if they are asked to do so." Lord Cunliffe stated that undoubtedly the British Treasury would raise the gold redemption fund behind these notes to a much larger percentage than obtained at present. "We have not been able to increase this fund for two years because of the gold we have been shipping you."

As to whether British bankers were discouraging the extension of dollar exchange, Lord Cunliffe admitted that some bankers had been discouraging it, but the bigger bankers in London had taken a broad view. He pointed out that naturally English bankers were desirous of doing as much sterling business as possible, but it was recognized that for a number of years, at any rate, dollar exchange would be paramount. During the war the United States would undoubtedly continue as a money centre, but afterwards there would probably be more or less of a balance between London and New York.

Lord Cunliffe said that there was in London a committee of five bankers, of which he was chairman, which since the war has been directing its attention to maintaining the foreign exchanges. This committee has practically unlimited powers and meets daily. So far it has been concentrating its attention upon the New York market. The other neutral markets, such as Spain, etc., were left more or less to take their natural course. With the entrance of the United States into the war, this country has taken the burden off the shoulders of the British bankers in this respect.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Authorized - - - $ 25,000,000

Capital Paid Up - - - 12,911,700

Reserve and Undivided Profits, 14,324,000

Total Assets - - - - - 287,000,000

HEAD OFFICE, MONTREAL.

365 Branches in Canada and Newfoundland.

Thirty-six Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain and San Fernando; BRITISH HONDURAS—Belize.

BRITISH GUIANA—Georgetown, New Amsterdam and Rose Hall (Corentyne).

LONDON, ENGLAND Bank Bldgs., Princes St., E.C.

NEW YORK CITY Cor. William and Cedar Sts.

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS.

SAVINGS DEPARTMENT AT ALL BRANCHES.

When You Die

Will your Estate be properly administered?

If you appoint a private Executor, who will replace HIM when HE dies?

The MONTREAL TRUST COMPANY, being a Corporation, never dies.

Therefore, if you appoint that Company your Executor, the proper administration of your Estate will be assured.

Consultations solicited.

Montreal Trust Company

Toronto Office - Royal Bank Building

THE ROYAL TRUST COMPANY

EXECUTORS AND TRUSTEES

HEAD OFFICE, MONTREAL.

Capital Fully Paid, $1,000,000. Reserve Fund, $1,000,000.

BOARD OF DIRECTORS

Sir Vincent Meredith, Bart., President.

Sir H. Montague Allan, C.V.O., Vice-President.

R. B. Angus, H. R. Drummond, C. R. Hosmer, A. Baumgarten, C. B. Gordon, Sir William Macdonald, E. W. Beatty, K.C., Hon. Sir Lomer Gouin, K.C.M.G., Major Herbert Molson, M.C., A. D. Braithwaite, E. B. Greenshields, Lord Shaughnessy, K.C.V.O., E. J. Chamberlin, Sir Frederick Williams-Taylor, LL.D.

A. E. HOLT, Manager.

TORONTO BRANCH, BANK OF MONTREAL BUILDING, YONGE & QUEEN STREETS.

BRUCE L. SMITH - - - Manager.

THE STANDARD TRUSTS COMPANY

Head Office - - - - - 346 Main Street, WINNIPEG.

J. T. GORDON, Esq., President

(President, Gordon, Ironsides & Fares Co., Ltd.)

WILLIAM HARVEY, B.L., Vice-President and Managing Director.

W. E. LUGSDIN, Secretary-Treasurer.

Authorized Capital ....$ 1,000,000.00

Subscribed and Fully Paid 750,000.00

Reserve and Surplus 500,000.00

Total Assets 15,000,000.00

Acts as Trustee, Executor, Administrator, Guardian, Agent, Etc.

By appointing this Company your Trustee and Executor or Financial Agent, you ensure expert and continuous service, and safeguard your Estate against mismanagement and loss.

Will forms supplied on request, free.

All business of a Trust nature transacted.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

FINANCIAL ASSISTANCE

to Estates being administered by it.

CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00

PAID-UP CAPITAL AND RESERVE 860,225.00

The Imperial Canadian Trust Co.

EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.

HEAD OFFICE: WINNIPEG.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA.

Mercantile Trust Company of Canada

LIMITED

Hamilton, - - - Canada

Acts as Executor, Administrator, Trustee, Guardian.

Correspondence invited.

Write for Booklet on our Guaranteed Investments, which are authorized for trustee funds.

Cyrus A. Birge, *President* S. C. Macdonald, *Manager*

5% AND ABSOLUTE SECURITY

Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

THE EMPIRE LOAN COMPANY, Winnipeg, Man.

Your Family First

A man's first duty to his family is to Make His Will. Arrange the division of your property and appoint an experienced and responsible Executor, such as this Corporation, in your Will. Thirty-five years' experience in management of estates.

Write or Call for Booklet—Making Your Will.

THE TORONTO GENERAL TRUSTS CORPORATION

Bay and Melinda Sts., Toronto

19 PER CENT ON COMMON EARNED BY MAPLE LEAF

Export Trade a Big Factor in Very Successful Showing.

GROSS EARNINGS $1,110,251

Net at $738,644 as Shown by Profits and Loss, Did Not Include Amounts Appropriated for Depreciation and Contingent Account.

The successful operations of the Maple Leaf Milling Company; which resulted in the rather spectacular performance of the securities of this company last year, when a high mark of 122 from a low of 60 was reached, was indicated in the annual statement for the year ending March 31, which reached the shareholders this week. The earnings amounted to $738,644, compared with $530,525 in the previous year. There being no mortgage or bond interest to meet, the deduction of bank interest amounting to $159,573, and preferred dividends amounting to $175,000, left a balance of $404,071, or 19 per cent. on the $2,125,000 of common stock outstanding.

However, as analysis of the profit and loss account and balance sheet indicates that the net earnings as brought down do not fully indicate the success of the year's operations. It is noted in the balance sheet that there is a new item of depreciation reserve of $250,000. This was evidently deducted before the earnings were brought down In addition the contingent fund was increased by $121,607 to $361,007. This increase apparently, too, was deducted from earnings before being brought down to the profit and loss account. Therefore, the POST concludes that in the usual way of figuring a company's trading profits, before allowing for depreciation or reserve, the showing of the Maple Leaf Milling Company for the last year would have been $1,110,251. Deducting from this bank interest and preferred dividends and the appropriations for reserve and contingent fund would indicate the same amount available for common previously arrived at on the basis of the profit and loss account as submitted.

In the following tables of comparative figures the profit and loss figures are compared as submitted in the report and then rearranged to include the contingent and special reserve to show the earnings in the usual way after the deduction of operating costs and expenses:—

Profit and Loss Accounted.

	1916-17	1915-16	1914-15
Net earn.	$738,644	$530,525	$1,048,997
Deduct:			
Interest	159,573	104,171	173,560
Pref. div.	175,000	175,000	175,000
Net profit	$404,071	$251,354	$700,437
Com. div.	212,500	75,000	....
	$191,571	$176,354	$700,437

Reconstructed to Show Actual Gross.

	1916-17	1915-16	1914-15
Year's surp.	$191,572	$176,354	$700,438
Pref. Div.	175,000	175,000	175,000
Com. Div.	212,500	75,000	......
Bank Interest	159,573	104,171	173,560
Contingent	121,607	12,679	223,447
Depreciation	250,000	......	......
	$1,110,252	$542,204	$1,272,445

Following is a summary of the record of net earnings during the past seven years:—

Seven Years' Record

Year	Net	% on Pref.	% on Com.
1916-17	$579,071	23.2	19.0
1915-16	426,354	17.0	10.0
1914-15	875,437	35.0	28.0
1913-14	267,123	10.7	3.7
1912-13	305,789	12.2	5.2
1911-12	280,036	11.2	4.2
1910-11	181,059	7.3	.3

Large Export Business.

In referring to the report, Hedley Shaw, the managing director, states that the showing made during the year had been largely due to the unique position of the company's mill at Port Colborne, through which contracts have been undertaken for full ocean cargoes of flour for delivery at the Atlantic seaboard for the British Government and her Allies. In this connection he adds that the necessary machinery is being installed this summer at Port Colborne to increase the capacity to 12,000 barrels per day of 24 hours and the addition is to be completed in time for the grinding of the new crop. The company has been constantly urged by the representatives of the Allied Government to do everything in its power to maintain the output to the maximum, and there would appear to be reasonable assurance that there will be a strong market in the future.

The Balance Sheet.

The balance sheet indicates that the company's financial position has been extended in order to handle the increased volume of business. Advances from the bank have been increased from $1,416,832 to $1,892,326 while bills payable have increased from $779,406 to $1,212,452. However, it is evident from the statement of assets that these funds have been well invested. Holdings of grain, feed, flour, etc., have increased from $2,638,436 to $4,067,547. The other changes are not important, but are indicated as follows:—

	1916-17	1915-16	1914-15
Cash	$ 72,517	$ 52,132	$ 23,956
Accts. & bills received	380,656	463,860	447,796
Inventories	4,067,547	2,638,436	1,849,146
Bank debt	1,892,326	1,416,832	1,291,131
Accts. pay.	1,212,453	799,406	305,972
Contingent	361,007	239,000	226,721

$7,500,000 CORPORATION.

Russo-Canadian Development Corporation Incorporated.

The incorporation of the Russo-Canadian Development Corporation, Limited, with an authorized capital stock of $7,500,000, and the head office at Montreal, would appear to indicate that a large scheme was in contemplation. The incorporation letters patent are issued to Gordon Walters MacDougall and Lawrence McFarlane, barristers; William Bridges Scott and John McNaughton, advocates, and James Geary Cartwright, office manager, of Montreal. The names of the real promoters are withheld for the time being.

The charter gives the corporation very wide powers, and it is presumed that the idea of those interested is to develop the Russian market, and establish trading relations with that country on an extensive scale, after the war is over.

BIG INCREASE IN BANQUE NATIONALE PROFITS

Earned Nearly 21 Per Cent. Upon the Capital Compared With 17 Per Cent. in 1916.

Shareholders of La Banque Nationale should be very well satisfied with the earnings statement for the last fiscal period which has recently been made public. The profits for the year amounted to $417,622, showing an increase over the previous period of $76,619. The earnings on capital were at the rate of 20.85 per cent. compared with 17.05 in the previous year and 16.66 per cent. in 1915. That such an increase has been shown under the prevailing conditions is an indication of the aggressive policy which the company has adopted and confidence in the fundamentally sound business conditions prevailing throughout the territory in which this institution operates.

Dividends were paid at 8 per cent., which may be regarded as conservative in view of earnings and the fact that the reserve to which $100,000 was added now amounts to $2,000,000, being equal to the capital. For depreciation, $75,000 was allowed, an increase of $25,000, and for pension fund $50,000 was appropriated, being an increase of $40,000. After allowances were also made for patriotic funds and circulation taxes, there was carried forward a balance of $59,965, of which $54,843 was brought down from the previous year. Following are comparative figures:—

PROFIT AND LOSS.

	1917	1916	1915
Profits	$417,622	$341,003	$333,207
Bal. forward	54,843	48,006	62,299
	$472,465	$389,009	$395,506
Dividends	160,000	160,000	160,000
Reserve	100,000	100,000	100,000
Depreciation	75,000	50,000	50,000
Pension Fd.	50,000	10,000	10,000
Cir. Tax	20,000	6,666	20,000
Patriotic	7,500	7,500	7,500
Balance	59,965	54,843	48,006
	$472,465	$389,009	$395,506
Rate of dividend	8	8	8
Profits on cap.	20.85	17.05	16.66

Increases of current loans from $17,700,000 to $20,600,000 and of deposits from over $21,000,000 to over $26,000,000, are features of the balance sheet, which will be reviewed at greater length next week.

THE GARMENT TRADE

Report to be Made on Conditions Which Caused Montreal Strike.

The commission, which was appointed in April to consider the disputes which led up to the Montreal clothing strike, is making an exhaustive study of the question; and the hope is that the report which will shortly be handed down will be so satisfactory as to render a recurrence of such a strike unlikely.

From what is learned, the commission has pretty well established at least one evil which is common to both employer and employee. This is a practice on the part of one or more manufacturers of employing more men than were required. These workers would expect to earn $22 a week. Ordinarily, however, there would be only enough work to enable their earning $17. The object, of course, was to have help on hand to make possible rush work in the particularly heavy seasons.

In a time like the present, when this class of help is so scarce, such wastefulness is as much against the interests of the clothing manufacturers as a whole as it is against the interests of the garment workers. This part of the report will certainly be welcomed by the great majority on both sides.

Whether the remainder of the report will be as satisfactory is far from sure.

FINE SHOWING BY CIVIC INVESTMENT PAST 9 MONTHS

Net Revenue, After Operating Expenses and Depreciation, $3,242,523.

5.2 % ON CAPITAL STOCK

Balance Sheet Shows Company's Cash Position to be Unusually Strong — Extensions Being Made at Cedars Plant.

While a comparison with the previous earnings of the companies now included in the Civic Investment and Industrial Corporation is not feasible, owing to the changed accounting periods, the financial statement of the company for the nine months ending April 30th, must be regarded as highly satisfactory. The gross revenue was $6,783,839, and the net revenue $3,242,523, after operating expenses, maintenance allowance of $398,191 and an appropriation of $675,000 for depreciation and renewal reserve.

The net income after meeting the fixed charges of subsidiaries, was $2,486,009, or equivalent to 5.2 per cent on the capital stock. The net balance after the payment of three quarterly dividends, at the rate of 4 per cent., and the setting aside of $10,000 for officers' and employees' pension fund, was $574,614.

The balance sheet reflects an unusually strong cash position and shows the degree of liquidity of the current assets to be very high. Two items are cash, $2,397,834, and war loans, $863,836. These items more than balance the company's current indebtedness of $2,680,464. Bonds of subsidiaries are also held in the company's treasury to the amount of $1,354,000, while other investment securities are valued at $295,565. Stores and supplies amount to $393,748, and accounts collectable to $1,160,136.

Directors' Report.

Sir Herbert Holt, in his report as president, refers to the net revenue as being very gratifying, having regard to the phenomenal increase in the cost of labor and supplies, but points out that the company's principal supplies of coal and oil were affected only in a slight measure for the period under review, as these supplies were obtained under favorable contracts which have since expired. Coal and oil have since advanced to unprecedented prices, and this will inevitably increase the cost of operation during the present year, and in fact, until normal conditions prevail. Notwithstanding the increased cost of operation there is a possibility that the rates will not be raised to the consumers. Speaking on this point, Sir Herbert says:—

"Your company and its predecessors have an unrivalled record in rate reductions for both gas and electricity, in which the consumers have participated to the extent of hundreds of thousands of dollars upon the occasion of each reduction. The local rates for these commodities are now as low and, in most cases, lower than elsewhere, and while it will be the object of your directors to refrain from increasing rates they can only do so as long as the burden can be carried without impairing the company's financial condition. If any temporary increase in rates should become necessary it will be realized by the public and shareholders that it is attributable to conditions beyond the control of your directors."

Extensions at Cedar Rapids

The president refers to the extensions that are being made to the plant at Cedar Rapids and points out that they were made necessary by the great demand for electricity. The work, which is already in hand involves the construction of the substructure for the ultimate development of 180,000 horse-power, although for the present it is only intended to install two additional units of 10,000 horse-power each and the necessary superstructure for the same. With these two units, which it is expected will be completed by the fall of 1918, company will have 120,000 horse-power available at this plant. The report continues:—

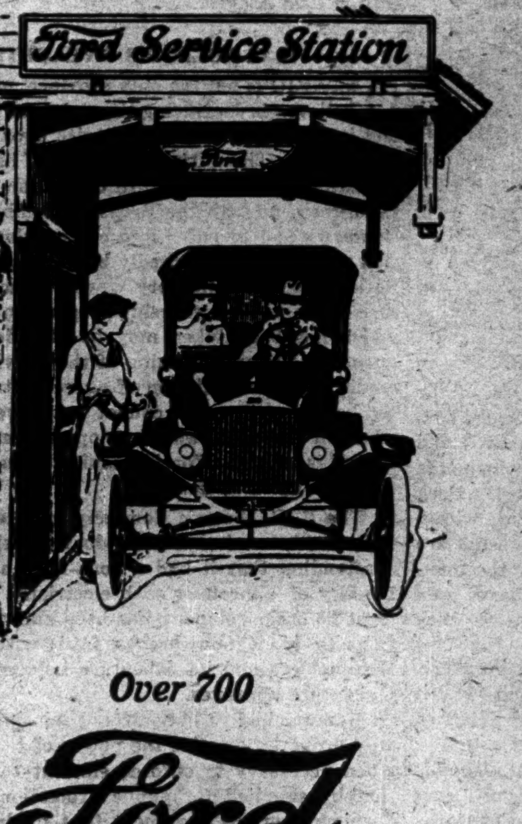
"The properties and plants of the company and its subsidiaries have been maintained in the same high state of efficiency, as heretofore, as evidence of which there was expended during the year on maintenance account $398,191.68, which, with the appreciation for depreciation and renewal reserve, as noted, represents a total expenditure and provision in this connection of $1,073,191.68.

The summarized revenue account follows:—

Gross revenue	$6,783,839
Oper. and maint. expense	2,866,316
Net earnings	$3,917,523
Deprec. and ren. reserve	675,000
Net revenue	$3,242,523
Fixed charge	756,518
Net income	$2,486,009
Dividends	1,903,395
Pension fund	10,000
Surplus forward	$ 572,614

Ford Service Stations Are Always Near You

WHETHER you travel in Ontario, Quebec, the Maritime Provinces or Western Canada—in fact throughout the world,—you will find a Ford Service Station near by and ready to supply you with whatever you may require.



Each station carries a complete line of repair parts, accessories, gasoline, oil, etc.

When you buy a Ford, you are assured of courteous, prompt service wherever you may be. "Gas," oil and Ford repairs are always carried in stock at our service stations. This means a great deal to the man who owns and drives a car.

Over 700 Ford Service Stations in Canada

Runabout	$475
Touring	495
Coupelet	695
Town Car	780
Sedan	890

F.O.B. FORD, ONT.

Ford Motor Company of Canada, Limited

FORD . . . ONTARIO

63

CONDITIONS IN CUBA

Uncertainty As to Sugar Crop Somewhat Cleared Up.

Uncertainty regarding 1916-17 sugar production in Cuba has been cleared up somewhat by a statement by the Cuban Government estimating the present crop at 2,800,000 tons. This is 600,000 tons less than original estimates, made previous to the political disturbances on the island, which resulted in destruction of a large amount of sugar cane, and disorganized labor to such an extent that several centrals were obliged to stop grinding temporarily. On the other hand, the present estimate is considerably larger than those made before the revolt was settled, which ranged as low as 2,350,000 tons. The more faborable outlook is due to quelling of the revolution, better labor situation, and delay in beginning of rainy season, which usually comes about this time and hampers grinding.

Charles Leslie Hallett, for several years provincial manager for Manitoba of the Globe Indemnity Insurance Co. of Canada, died last week in

HAZELTON GOLD, SILVER AND LEAD MINING COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 8th day of May, 1917, incorporating Anthony L'Estrange Malone, Albert Mearns and Harry Sutherland Sprague, solicitors, Joseph Earlby Belfry, law student, and Bertha Simons, stenographer, all of the City of Toronto in the Province of Ontario, for the following purposes, viz.—(a) To acquire by purchase, lease, license, exchange or in any other way and to hold, develop, work, maintain and manage mines, mining rights, mining claims, quarries, deposits and properties of all kinds, and minerals, metals, ores and stone of all kinds, and to deal in, sell, lease, exchange or dispose of the same, or any part or interest therein, in any way whatsoever, and to carry on mining and quarrying operations of every kind; (b) To dig for, refine, reduce, smelt, manufacture and prepare for use by any means or process whatsoever minerals, metals, ores and stone of every kind, whether belonging to the company or not, and to deal in, sell and dispose of minerals, metals, ores and stone of every kind and all products or any part thereof; (c) To acquire by purchase, lease, license, exchange or in any other way and to hold, manage and use any real property from time to time necessary or convenient for the carrying on of the operations of the company, and to sell, lease, alienate, convey, exchange and deal with in any way from time to time the whole or any portions thereof or any interest therein; (d) To acquire by purchase, lease, license, exchange or in any other way and to build, construct, improve, maintain, work, manage, carry out or control any roads and ways, branches and sidings on land owned or controlled by the company, bridges, reservoirs, water-courses, wharves, docks, mills, furnaces, manufactories, warehouses, shops, stores, houses, engines, machinery and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests or operations, and to contribute to, subsidize or otherwise assist or take part in the building, construction, improvement, maintenance, working, management, carrying out or control of any part thereof; (e) To acquire by purchase, lease, license, exchange or in any other way and to build, charter, maintain, work, manage and operate vessels of all kinds for the transportation of minerals, metals, ores and stone and all products thereof, and machinery, stores and articles of all kinds, and to contribute to, subsidize or otherwise assist or take part in the building, chartering, maintenance, working, management and operating of such vessels; (f) To acquire by purchase, lease, license, exchange, or in any other way and to build, maintain, work, manage and operate water rights, water powers, mills, dams, reservoirs, race ways, pipes, flumes and works of every kind; (g) To acquire by purchase, lease, license, exchange or in any other way power and light of every kind and to acquire, build, construct, maintain, alter, make, work and operate on the property of the company or on property controlled by the company and subject to all statutory and municipal regulations, works of every kind for the development, generation, accumulation, supply and delivery of power and light of every kind, power lines, poles, conduits and wires; (h) To buy, sell and deal in goods, wares and merchandise and to acquire, build, maintain, own and operate factories, shops and stores for that purpose; (i) To acquire, build, alter, hold, lease and manage houses and buildings necessary or convenient for the use of persons employed by the company and the family of such persons; (j) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's properties or rights; (k) To acquire, purchase or assume the whole or any part of the business, properties, undertakings, assets and liabilities of any person, firm or company carrying on any business which the company is authorized to carry on, or similar thereto, or possessed of properties suitable for the purposes of the company, and to pay for the same wholly or in part in the bonds, debentures or shares of the company; (l) To apply for, purchase or otherwise acquire any patents, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the patents, rights or information so acquired; (m) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company, or to amalgamate with any such company, and to lend money to, guarantee the contracts of or otherwise assist any such person, firm or company, and to take, subscribe for, purchase or otherwise acquire bonds, debentures, shares and securities of any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same; (n) To take, subscribe for, purchase or otherwise acquire and to hold, sell, deal with or dispose of the bonds, debentures, shares or securities of any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (o) To enter into any arrangements with any authorities, federal, provincial, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions, and to use to defray the costs and expenses thereof the company's shares, bonds, debentures and other securities; (p) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (q) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose which may seem directly or indirectly calculated to benefit this company; (r) To purchase, take on lease or in exchange, hire or otherwise acquire any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant or stock-in-trade; (s) To lend money to customers, and others having dealings with the company and to guarantee the performance of contracts by any such persons; (t) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (u) To sell, lease, exchange or dispose of the undertaking of the company or any part thereof or the properties, rights and assets or any part thereof for such consideration as the company may think fit, and in particular for shares, bonds, debentures or securities of any other company having objects altogether or in part similar to those of the company; (v) To adopt such means of making known the properties or products of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (w) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account, distribute in specie or otherwise deal with all or any part of the properties, rights and assets of the company; (x) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (y) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Hazelton Gold, Silver and Lead Mining Company, Limited," with a capital stock of forty thousand dollars divided into 40,000 shares of one dollar each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 9th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

THE FINANCIAL POST OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - - H. T. HUNTER
Manager - - - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

ADVERTISING RATES:

Single insertion	$ 1.50 per inch
Yearly insertion	40.00 per inch
Financial Reports, Prospectuses, etc.,	15 cents per agate line.

SUBSCRIPTION PRICE:

Canada and Mexico	$3.00 per annum
United States	3.50 per annum
Great Britain, Ireland and Colonies having minimum postal rates	12s. 6d.
France and other Countries	16s. 6d.

Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

Published by

THE MACLEAN PUBLISHING COMPANY, LIMITED

143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 128 Bleury St., H. M. Reid; WINNIPEG, 22 Royal Bank Bldg., C. W. Byers; BOSTON, 733 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. B. Huestis; CHICAGO, 1104-7 Fort Dearborn Bldg., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

Toronto, June 2, 1917.

TO CURTAIL PROVINCIAL POWERS.

THERE are indications that the high-handedness of the Ontario legislature in passing what is practically confiscatory legislation at the dictates of Sir Adam Beck and the Hydro-power ring may be followed by developments which will bring home to the law-makers of Queen's Park that there is still such a thing as British Justice within the British Empire and that charters and agreements are not to be broken at the order of a dictator. By the manipulation of the provincial laws the courts have been closed to the power companies and the investors they represent and at Ottawa the Minister of Justice takes ths attitude that it is not within his jurisdiction to interfere. There is a last court of appeal—The Privy Council—and it is to that court that the pioneer developers of Niagara power are now turning.

One of the best known of British writers on economic and financial subjects, a contributor to the London *Times* and other responsible publications, and the author of works on Canadian financial conditions which have had considerable influence in England, writes that while Canadian finance is a delicate subject in view of the great issues of the war, developments in this country are not being overlooked and adds:—

> "I think that when the Imperial Federation is taken in hand after the war, the wings of the Provincial governments are not unlikely to be clipped."

It has long been contended by the most responsible thinkers in Canada that the powers now vested with the provincial governments are altogether too arbitrary. The exercise of these powers has of recent years been becoming more and more dangerous to many established enterprises whose rights have been and are being jeopardized. Even legislatures may take enough rope to hang themselves.

THE DAILY MAIL'S ACTIVITIES.

WE HAVE, repeatedly, advised capitalists against giving financial support to newspapers, that cannot live on their legitimate income from subscriptions or advertisements. Such contributions are very unfair to, and keenly resented by, the dailies and weeklies, that are conducting their affairs on business lines. The connection is frequently exposed and when it is, it reflects upon the corporations and newspapers generally. We, ourselves, have, on several occasions, had to compete with just this sort of thing. A case in point came to light last week. B. A. Macnab was managing editor of the Montreal *Star*, and M. E. Nicholls was on a Winnipeg paper. They induced several capitalists, including Hon. Josiah Wood, New Brunswick, and Mr. Reid, son of the distinguished Newfoundland railway man and Montreal financier, to contribute large sums of money to start the *Mail* and the *News* in Montreal. With such excellent papers, as the *Gazette* and the *Star*, already well established, and particularly well edited, Mr. Nicholls,—a man of very ordinary ability, notwithstanding unusual political pull—had very little chance. The *News* was eventually discontinued and now Mr. Macnab is moving in the courts for the winding up of The *Mail*. He makes the following remarkable statement where he alleges that Mr. Nicholls had engaged in other enterprises and occupations for his personal benefit without accounting to the company. These enterprises are specified as follows:—

"(a) In an endeavor to obtain shell contracts for one of the shareholders in the respondent company;

"(b) An endeavor to obtain a similar contract for a certain company in which the managing director's father-in-law, Hon. Josiah Wood, Lieutenant-Governor of New Brunswick, was interested, namely the Record Foundry and Machine Company, of Moncton, N.B.;

"(c) An endeavor to obtain a high command for Lieut-Col. Frank B. Black, brother-in-law of the managing director of the respondent company, in the overseas expeditionary forces, and subsequently endeavored to obtain promotion for this officer through the influence of Cabinet Ministers and Government officials, and that such promotion was accomplished through this and other causes;

"(d) Endeavored to obtain for the said Hon. Josiah Wood a prolongation of his office as Lieutenant-Governor aforesaid;

"(e) Endeavored to obtain a price, declared by the Courts to be exaggerated and unjust, for the Carslake Hotel property from the Dominion Government in the interests of some of the shareholders of the company respondent;

"(f) Endeavored to obtain a revision of asphalt contracts for the city of Montreal in the interest of other companies;

"(g) Endeavored to sell to the British Government aeroplanes in the interest of one, Ruddy, of Toronto, with whom Harry A. Dorsey, one of the directors of the respondent company, was associated in billboard advertising;

"(h) Endeavored to adjust as between the aforesaid Hon. Josiah Wood and the Harbor Commissioners of Montreal, through bespeaking the influence of the Hon. J. D. Hazen, Minister of Marine, certain disputes with regard to certain property on the harbor front at Montreal;

"(i) Endeavored to prepare the way for an adjustment as between the newspapers of Canada and the Dominion Government in respect to postage rates; for which work the respondent company's managing director was paid a considerable sum of money, none of which was turned in to the company respondent;

"And endeavored to obtain in the interests of the Canada Street Car Advertising Company a contract with a street railway in Toronto."

In connection with Mr. Macnab's allegation (i), it is rather a coincidence that, Mr. Nicholls reported trade and technical newspapers were of no public service, and therefore should not be given newspaper postal rates. At the very time Mr. Nicholl's paper was in court last week, charged with insolvency, the editors of all the important trade and technical papers in the United States—several Canadian editors also were invited to be present—were, on the invitation of President Wilson, in conference with the Cabinet and the Committee of National Defence. The latter is composed of the biggest financiers, railway presidents and business men on the Continent. These practical men found business papers indispensable in their regular daily work, and want their assistance now the Nation is in danger.

B. C. FOLLOWS ONTARIO'S LEAD.

ONTARIO is not the only province, unfortunately, which believes in sacrificing the rights of individual investors and its word to private enterprise upon the altar of public ownership. The City of Vancouver has received the endorsation of the legislature of British Columbia to break its agreement with the British Columbia Electric Railway Company and to enter into competition with it—competition which will undoubtedly be accompanied with all those unfair and discriminatory powers which have been a feature of the public ownership program in Ontario. The action which has been taken may be attended by grave consequences. The undermining of the Provincial and Dominion credit by the repudiation of agreements under which capital has been invested cannot but have dire consequences when in the after-war development much-needed outside capital is sought. Foreign capital cannot be secured where the security is in doubt.

The B. C. Electric Company invested many millions of dollars—the capital of individual shareholders—on the understanding that it had a bona-fide charter for supplying the city of Vancouver with electricity. Under this agreement no other company has been allowed to compete. But the city itself now breaks faith with the company, its shareholders and its debenture holders to do so—and the legislature approves.

A municipality even after giving an exclusive charter may properly exercise the power of taxation or regulation when necessary to enforce efficient service. The lever is thereby supplied for public protection. There has never been any serious argument that public administration of business enterprises is as efficient as private administration sensibly regulated. It is only when private ownership, usually after years of development, is a success that the demand for public ownership arises and it is only by unfair methods of competition that the latter can succeed. The ultimate result to the public is that the standard of service is lowered or that unseen burdens are placed upon the people through taxation necessary to meet expenditures out of public funds.

PUBLICITY BREEDS CONFIDENCE.

JUST as we find pedestrians taking the lighted streets during the dark hours, so also do we find investors in periods of uncertainty turning for guidance to those securities upon which the light of publicity is more or less constantly directed. It is thus that we find such transportation stocks as Canadian Pacific and such industrials as United States Steel, with their thousands of shareholders, among the most reliable guides to the investment market. The former has $260,000,000 common stock outstanding and the latter $508,000,000. With so many shares in the hands of a public which cannot personally keep in touch with operations it might be expected that anything like a panic in general business or industrial conditions would lead to a flood of selling which would knock the bottom out of the market. Recent history of these companies has shown that on the contrary their stocks may be regarded as stabilizers. That this is the case is undoubtedly due to a considerable extent to that public confidence which has been created by the policy of publishing periodical statements. The Canadian Pacific,—and some of the other big systems—sends out weekly returns of gross earnings and a monthly statement showing net results while U. S. Steel sends out quarterly statements of earnings and monthly reports of unfilled orders.

Big business can make no mistake in taking the public into its confidence. The industrial concern which gives publicity to its affairs will not only create a wider market for its securities, but, will establish a confidence which will go far to offset influences which cause those sudden and broad movements of price so often accompanying unforeseen developments when investors are without authentic information to allay their apprehensions.

EDITORIAL NOTES.

AN English writer on economics and finance asks: "What did that Anglo-American commission mean by dropping a bomb-shell among Grand Trunk and Canadian Northern shareholders? It seemed a very gratuitous piece of mischief."

* * *

GOVERNMENT ownership does not eliminate all the ills of the operation of public utilities. The employees of the government telephones in Alberta are on strike and Edmonton is reported as the only place in the province with a complete service.

* * *

RAILWAY experts tell us that in Canada the carrying capacity of freight trains could be increased by about 25 per cent. by filling the cars to their authorized capacity. Looks as though shippers might use practical intelligence to reduce their own troubles.

* * *

THE munition and other millionaires whose tastes and ambitions tend to picture galleries in which to spend their surplus wealth—at least the part of it which Sir Thomas White leaves with them—should read the experiences of Mr. Huntingdon, a New York financier. He paid $100,000 to a leading London firm of art dealers for a Romney. Dissatisfied he brought the matter in the courts and was able to prove that it was fraudulent; in fact the dealers admitted it.

MORGAN'S MEN—THE MAGIC CIRCLE OF WALL STREET

A Brief But Intimate Introduction to the Partners of the Great Financial House.

Readers of this column recently read an intimate sketch of America's greatest financier, J. P. Morgan. It was a "close-up" of the head of the great money house and revealed that his part in the operations of the big firm was that of the dominant influence rather than that of the guiding hand. J. P. Morgan is not himself a man of parts, but the House of Morgan is very much an organization of parts. As might be guessed then the partners in the firm, the men who come more directly into touch with the direction of affairs, are important factors in national and international finance. In fact to be a member of the firm of J. P. Morgan and Company is to belong to the house of peers of the American financial world; it is Wall Street's patent of nobility.

Of what stuff Morgan picks his men and why has always been of very keen interest to the business world. The selection of a new partner is an event—an event to the man himself, and to Wall Street. It means the recognition of a new genius of finance, Gossip has it that only once has an invitation to join the company been declined. The man in question was and is the head of one of the greatest banks in the United States and he preferred to keep his job. Let us look at the men who have accepted and who are today members of the magic circle of American finance. They are intimately and briefly described by Albert W. Atwood in *Every Week*.

Henry P. Davison, whose desk is next to Morgan's, is a keen, hard-surfaced business man, as his pictures show him. He is stockily knit, together with steel-blue eyes. His mouth is about the straightest, firmest mouth I have ever seen, and he can be as cool as ice under excitement. Years ago, when he was a paying teller in a little bank in New York, this document was handed in at the window:

"I promise to pay to the order of Almighty God the sum of $1,000 when presented by Charles Freeman. Penalty if forfeited—death."

"You will have to be identified," said Davison.

"No, I won't," replied the lunatic, as he shoved a loaded revolver toward the young teller's face. "I want the money to found a cure for consumptives. Hurry up, or suffer the consequences."

"How do you want the money, in dimes?" asked Davison — after having read the check in a loud voice, to attract attention.

Then, while he slowly counted out the money, the house-detective, attracted by the unusual noise, seized the madman from behind.

But Davison has gracious manners, and makes many friends, even though he is firm, decisive, and quick acting. Back of his aggressive self-confidence and the almost steel-like mechanism of him, there is intelligence, wide reading, vision, imagination, and a careful study of economic, political, and international conditions. Like Mr. Morgan, he is singularly free from affectation. If he has something to say he says it plainly, straight from the shoulder, with no beating about the bush.

Outside of business, Davison is full of a spirit of play and humor. He is generous and intensely loyal to his friends, a trait for which all Wall Street knows him. But his loyalty is based on the merit system, in that promotion and preferment never go to friends unless they have ability. Davison is probably the most powerful patron that a young and aspiring business man could have. He has pushed more young men to positions of prominence in finance than any other man in America. No one's friendship is more valuable financially, or perhaps as valuable, as his. Take six young men with equal ability, and the one who gets ahead is the one who knows Davison; but he doesn't get ahead at all unless he has "the goods."

Davison worked his way up through the banking business, his first salary being $300 a year. He was offered a partnership in Morgan's because he showed great knowledge of local banking conditions in the panic of 1907, when the elder Morgan became financial dictator. The old man never liked hesitating people—which fact accounts for several of his partners.

Lamont Was a Newspaper Reporter.

Thomas W. Lamont, next in chronological order of the more widely known Morgan men, is a very different type. He started as a newspaper reporter after a course at Harvard, whereas Davison began as a bank clerk. He has the rather more human and mellow outlook upon life that characterizes newspaper-trained men in distinction to those trained in business. When he was a reporter he became interested in a small company that distributed food products. It was in the panic of 1893; and Lamont, along with a Harvard classmate, had a desperate time raising money. But the two young men curtailed waste in every department, and put life and energy into the little company. Lamont was really an efficiency engineer before such a creature had been discovered.

About the same time, Lamont and his classmate tried to buy another small food distributing company. They needed $25,000, and raked the town for it. About $20,000 was pledged, but they could not get the other $5,000. If they had succeded they would have made millions. But finally Lamont was able to get the American selling rights for a famous European chocolate, and from that time on he prospered. He embarked upon a selling campaign for this chocolate that made it famous from the Arctic to the Antarctic. Other articles were merchandised by him with the same degree of success, and it was his rapid upward movement in this field that led to an invitation to enter the banking business.

Lamont has an amazingly wide variety of educational and philanthropic interests. He is an authority on railroad finance, but his particular forte is negotiation. His tact, moderation, and self-control make him an ideal man for conducting big negotiations.

Then there is William H. Porter, the commercial banker of the concern. He was president of the Chemical National Bank, the richest for its size in New York, when he was invited to enter Morgan's. He carries much of the burden of the daily business of the office. Morgan's, besides its business of foreign exchange—"underwriting" huge bond issues, buying supplies for the Allies, and acting generally for the Allies, as the Rothschilds used to act for European nations—has a huge regular banking business, something like $80,000,000 of deposits. It also owns stocks in many banks.

Porter is the typical American banker rather than the international financier. He has an extraordinary knowledge of banking methods, commercial paper, credits, institutions, and so forth. He reads banking literature without end, and keeps up with the technique of the thing—the law and science of it. He is a man who feels he must do things himself—a terrific worker with amazing powers of quietly sticking to a job until it is accomplished.

The "Different" Partner.

Edward R. Stettinius is different from all the others. He is the one who actually knows how to run corporations himself, and has done it. Essentially he is not a banker at all. His father was president of one of the first insurance companies in the middle West, in St. Louis. The son began as a broker, but became interested in a harvester company, later was president of a large boiler company, and then became head of the Diamond Match Company. He took these two concerns when they were nearly down and out, and built them up to success.

Stettinius was taken into Morgan's when the firm began to organize the business of buying supplies for the Allies. This amounted to more than $100,000,000 a month; in one class of supplies alone to more than a million dollars a day. No one know more about manufacturing plants in this country than Stettinius.

Stettinius is a "strong man" without rigidity or severity. He can play as hard as he can work. He loves children—he has four of his own—and children love him. One summer, while on a yachting trip, he landed in a little town, and soon was talking to several newsboys. Almost before the boys knew what had happened, he had bought out the nearest fruit-stand as a treat for them. It was no carefully planned charity with large headlines in the local paper, but merely his way of showing his fondness for boys wherever he met them.

The youngest partners are Dwight W. Morrow and Thomas Cochran—the last being the "baby" of the firm. Morrow and Charles Steele, an older man who was inactive for several years on account of ill-health, but who now is able to resume many of his duties, are the legal partners.

Like all of Morgan's men, Morrow believes in getting things done. He was a member of a commission appointed on January 22 of this year by the Governor of New Jersey to investigate the scandals of the Trenton prison. On February 5, two weeks after the commission was appointed, it made its report.

"I'm going to get quick action," said Morrow when he was appointed; and he did. The commission sat one day from 10 a.m. to 10 p.m.

Morrow is noted in the financial world for his powers of mental concentration, a highly desirable quality for one who has to work out intricate and difficult legal-financial problems. When his mind is concentrated on any given problem he forgets everything and everybody else in the world. He works as if in a trance.

The Youngest Member.

Thomas Cochran, now at the foot of the class, has an extraordinary history of pluck. His father was rich, but lost his fortune when "Tom" was a student at Yale. The young man worked his way through his last year, and, while in no sense obligated, he assumed all the father's debts. These amounted to a couple of hundred thousand dollars, and in the course of some years Cochran actually paid them off.

Most young men would consider such a handicap an insuperable obstacle to success. Cochran tried all sorts of occupations. At first he tutored boys for Yale. Then he entered the hardware business in St. Paul, the railroad business in Albany, and the real estate business in New York. As in the case of nearly all successful men, a certain small element of luck played its part, in that he was thrown in contact with Mr. Davison, just as Davison, in his turn, was thrown in contact with the elder Morgan. Davison put Cochran in as an officer of a new trust company he was forming, and Cochran's rise was rapid.

Every one of Morgan's partners had luck on their side, in the sense that they became acquainted with capitalists who could help them. But, for that matter, so have thousands of other business men who have not scored any notable success. Whether these same partners would have risen to financial eminence if they had never "met" Morgan or other money kings, I cannot say; but we can be sure that merely meeting the "right people" is of no use unless there is the ability to make good when given the chance.

These super-active men of Morgan's are young, in the Wall Street sense at least. Porter is the oldest, fifty-six. Davison is fifty, Lamont is forty-seven, Stettinius is fifty-one, and Morrow and Cochrane are each about forty-five.

PERSONAL

J. O. HETTLE, whose app[illegible] the membership of the Saskat[illegible] farm loans board, was recently an[illegible]ed, has been for many years engaged [illegible] banking. He went to Saskatoon [illegible] years ago as manager of the North[illegible] Crown Bank and four years later [illegible] lished a private bank under his [illegible] name. He has been very successful [illegible] both financial and real estate matters.

COLIN FRASER, the commissioner [illegible] the new farm loans board of Saskatch[illegible]wan, has been acting for some time [illegible] manager of the loan department of the Mutual Life Assurance Co. at Regina. He is a barrister by profession and formerly practised law in Toronto. About twenty years ago he went to Winnipeg as inspector for the Western Canada Loan and Savings Co., and later became chief inspector of the Canada Permanent Mortgage Corporation at the same point. His appointment as head of the farm loans board is regarded as a happy one.

JAMES PENDER, managing director of the James Pender Company, nail and wire makers, whose death occurred this week at St. John, N.B., was one of the most prominent manufacturers of the city. Commencing his business career as clerk in a local hardware store, he entered partnership, some years later, with E. R. Moore, under the firm name of E. R. Moore and Company. In 18[illegible] he entered into the manufacture of horseshoe nails on his own account and about ten years later took W. O. P[illegible] into partnership under the firm name of James Pender and company. The present company, of which he was made managing director, was organized in 189[illegible] and added wire and wire nail making to the manufacture of horseshoe nails. The firm's trade covered the eastern and western provinces of Canada and extended to the West Indies and Australia.

DR. JOHN A. HARRISS, of New York, who has formally turned over to the United States Government his steam yacht Surf, for use as an ambulance [illegible] is a former resident of Toronto, and figured prominently in the fuse inquiry at Ottawa, which resulted from the Kyte charges. Dr. Harriss is associated in financial matters with what is known in New York as the "American Tobacco crowd." In offering the yacht to the Government, Dr. Harriss, who is a member of the New York Yacht Club, also tendered his own services and those of nurses and physicians necessary for the yacht as a hospital ship. The Surf displaces 400 tons. She is 202 feet over all. She will provide accommodation for about 25 patients. Last summer she was used by Andrew Carnegie.

MAJOR-GENERAL JOHN W. CARSON, upon whom His Majesty has conferred the honor of knighthood in recognition of his services during the war, is a native of the city of Montreal, having been born there on October 13th, 1864. Both his father and mother came from Ireland, the former from County Cavan and the latter from Londonderry. He received his education in the public schools of Montreal, entering the employ of the Royal Insurance Company at the age of sixteen, afterwards joining the Northern Insurance Co., and a few years later, becoming manager of the fire department of the Insurance Company of North America. He shortly afterwards began business in the insurance line on his own account. In the mining business he was successful, with other gentlemen, in organizing the Crown Reserve Mining Company, Ltd., and the Porcupine Crown Mines, Ltd. He, in conjunction with Col. W. I. Gear and other financial friends, organized the Crown Trust Co., of which he is vice-president and managing director. He is a director of the Union Bank of Canada, the Lake of the Woods Milling Company, is a member of the Montreal Board of Trade, a life governor of the Montreal General Hospital and Western Hospital and is otherwise active in public interest. He is also a Justice of the Peace for Montreal. He joined the 5th Royal Highlanders as 2nd Lieutenant in 1891, and was Lt.-Col. Commandant from 1902 to 1906, going on the reserve of officers on the 11th May, 1909. At the request of the Militia Department he undertook the reorganization of the 1st Regiment Prince of Wales Fusiliers in conjunction with Lt.-Col. (now Brig.-Gen'l) F. S. Meighen and Major (now Brig.-Gen'l) W. O. H. Dodds, C.M.G., being gazetted in command of the 1st Regiment the 29th December, 1911. He was appointed a Colonel in the Militia 1st June, 1914. He is in possession of the Long Service Medal and was granted Colonial Officers Decoration Gen'l Order 45, 1913. In connection with the Highlanders—when he took command of that Regiment in 1902, it consisted of only six companies: through his tenure of office it was increased to eight companies June 20th, 1902, and on August 15th, 1906, was organized into a two-battalion regiment of eight companies each. In 1906 a new armoury was opened on Bleury St., at a cost of over $100,000, principally through his efforts and the officers under him. When he took command of the 1st Regiment on reorganization with his usual energy, he surrounded himself with an active body of officers, most of them from the retired list, and speedily brought the Regiment to the proud position it now holds. Shortly after taking hold of it he had, by special permission, the title changed to the Canadian Grenadier Guards. The Regiment, partly owning a piece of ground on the corner of Rachel St. and Esplanade Ave., he speedily got in touch with General Hughes and succeeded with his help, in a very short time in having an armoury built which is considered the finest in Canada, complete in every respect. Just after the Regiment had taken up its quarters in the new armoury, the call to arms sounded; a very large percentage of the officers and men volunteered at once for overseas. John Carson himself was seconded for service as special representative of the Minister of Militia with the Canadian Overseas Forces on the 16th of Sept., 1914, and has been on active service ever since. He was promoted temporary Brig.-Gen'l on the 18th May, 1915, temporary Major-General 13th September, 1915, and Major-General 2nd November, 1916. He was also created a C.B. on the 1st June, 1916. His son Kelvyn, who accompanied him overseas, is now a major in the 14th Battalion Royal Montreal Regiment and was decorated with the Military Cross in 1916. Sir John has been a resident of Westmount for over [illegible] years and has always taken a very keen interest in the welfare of that city.

AVOIDING MISTAKES IN INDUSTRIAL MOBILIZATION

How the United States is Endeavoring to Profit by the Experience Which the War Has Already Taught.

Special to THE FINANCIAL POST by Agnes C. Laut.

There are forty-eight different gauges in a three-inch $6 shell. There are 2,176 different gauges in a light field gun. There are 500 different gauges in a rifle. If any one of these gauges is not true to standard, the shell may not explode; or it may explode too soon; or it may ruin its gun. Or if any of the gauges in a light field gun or rifle fails to conform to standard, the gun may jam at the crucial moment when it is supposed to protect a line of living men from onslaught; or the rifle may fall powerless from the hands of a man bayonetted because it would not fire.

When War Orders first came to the United States, everybody plunged in—button makers, bolt manufacturers, wheelwrights, chain firms, people who didn't know a gauge from a goat. Then, when European armies found that guns wouldn't explode, or explode at the wrong time, or the guns didn't fit the shells, or the shells didn't fit the guns—it was this little fact that defeated Rumania, and in 1915 helped to paralyze Russia—the belligerent governments rushed out an army of ordinance and munition inspectors test guns and shells. Now some modern shells, such as the Whitehead torpedo used in submarines, are more complicated than a high-power motor car or a traction engine. They are, in fact, a combination of terrible motor power and high explosives with a little system of enginery complete and self-propelled inside. A deviation the size of a needle, the failure of a notch in a polished circle to fit, the looseness of the thread in a screw, the wrong tempering of a rifle barrel, a variation the thousandth part of an inch in the uniformity of size—and shell, or rifle, or field gun may as well be thrown on the scrap heap. They are not only useless. They are criminally worse than useless. They leave brave men, hundreds and thousands of them, defenceless against slaughter. That is why Russians threw their guns down in 1915 and stamped them into the mud and wept with powerless rage.

Confusion as to Standards.

Now, when the mob of inspectors was rushed out from Europe to see what was wrong, some of the inspectors were very competent; and some were utterly ignorant; and some were enemies in disguise to do what mischief they could—which was very great. The trouble was, few of the inspectors had standardized testing instruments, or gauges to help the manufacturers. Now that it is all over and remedied, I suppose it may as well be told that the confusion was chaotic and tragic. One consignment of 500,000 shells supposed to be filled, went to Russia filled all right; but they were filled with sand and other material that was useless ballast. One firm had practically to junk 22 million rifles. A few of these were salvaged by being taken apart and the parts untrue to standard substituted by true; but by the time the irremedial had been "junked" and the reuairable had been "junked" and the repairable firms in the United States was on the rocks, and being salvaged itself by the banks. The same thing happened to four other firms. I think only one is openly in the hands of the receivers; but the others are practically ruined.

Immediately on the declaration of a State of War, Congress appropriated $425,000 for technical work in the Bureau of Standards — $150.000 for gauging instruments—to test all manufactures of munitions and ordnance. Some of these gauging instruments cost as high as $250 each. Few cost less than $50; but they are indispensable if such tragic mistakes are not to be repeated in providing the United States with shells and guns. Where enough qualified inspectors are to be found is a puzzle; but the Bureau of Standards is raking the country for good engineers for the work. If the United States is to put an army of 500,000 on the field with a reserve army at home of another 500,000, not less than 20,000 inspectors will be needed to cover the work of gauging guns and shells in the United States; for the technical man is as important in this war as the soldier in the trenches.

It will be news to most people that every single shell and every single part of every shell, is now inspected before accepted by European buyers. Rejections were as high as 300,000 shells a month. If you figure those shells at $6 to $18 each, you will realize the importance of avoiding mistakes in the mobilization of industry for the United States in this war; and it is an augury for good that such men have been invited to join the Council of National Defence as Farrel of the Steel Trust, Schwab of Bethelem, Doherty of the Cities Service, Edison of electric fame and Wagner of Baltimore.

Avoiding Mistakes.

Uncle Sam wants desperately and prayerfully to avoid the mistakes made by the other fighters at the beginning of the war. As a 12-inch shell costs $2,000 and a Whitehead torpedo costs $10,000, and small shells from $6 to $18, it should not be grudged that gaugers and inspectors cost three and a half per cent. of every million dollars worth of shells and guns inspected. A gauge will last for only 200,000 to 300,000 tests; and the Bureau of Standards expects to supply American manufacturers with 20,000 gauges a month for war work; but the life of a gauge is much greater than the duration of a rifle, which in active service in this war the Bureau of Standards estimates at two weeks. I give the story of gauges in detail, because it is typical of the mobilization of industry for the war in the United States. Similarly costly experience will be avoided in aeroplane engines, in submarine torpedoes, in steel work, in commisariat supplies. It seems to me Canada might give the United States some useful guidance in this matter as to equipment, clothes, boots, marching kit, tenting, material, etc.

Everything is being co-ordinated as fast as it is humanly possible to do it; but things are in very much the same stage here just now as in 1915 in England, when men sat on the steps of recruiting stations wanting to serve their country and could not get enrolled for the red tape.

The Government has at last acknowledged that the food estimates were hopelessly wrong and that the situation is very grave. Wheat at time of writing is $3.25 a bushel in New York, and none to be got; and the weather could hardly be worse. Usually Eastern planting is finished here by May. Cultivating begins in June and haying in July. This year very little planting will be in by June; and the season is six weeks late. Plowing has been done, but the weather is too wet and cold for seeding. An enormous area is being prepared for corn, which will be the mainstay of this country for 1917-18.

The Changing Sentiment.

A subtle change has gone over the United States. The adulation paid to Joffre has been almost idolatry. Wherever he has gone, business has stopped and the streets have been massed to pay him homage. It broke and touched the Hero of the Marne at last. At the Opera House, where he was presented with $100,000 check for the War Orphans of France, he could not speak for tears; and the reception to Mr. Balfour has been a thing that has filled the canyons of this city's streets with applause—a thing so sincere and touching, you see tears in the eyes of the commissioners. Whether the subtle change has come from the presence of the commissioners I cannot say, but without a doubt the United States is not going to play a dummy part. Right now the big labor leaders are meeting in Washington to arrange there shall be no eight-hour disputes to harass industry in this war. That is part of the mobilization of industry. The subtle, unexpressed feeling is—We are in body and soul to fight to the last man for democracy. Unless Germany collapses, a million men will be undoubtedly sent from the United States to France.

One of the finest strokes of diplomacy has been put over by Gompers, when he called on the workingmen of Russia to stand by the workingmen of the United States in the fight for democracy; and when the American commission was chosen to go to Russia, Elihu Root, the champion of Capital, went in the same group as Charles Edward Russell, the Socialist. Needless to say, this was to quiet the Pacificists, who are working in Russia in the name of Socialism.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

Winnipeg Paint and Glass.

Bank Manager, Ottawa.—Could you let me have any information regarding Winnipeg Paint & Glass, Ltd.? This company has not paid a dividend for at least three years, and I would be glad to know if you consider it advisable to hold this stock.

In further reply to your communication, enquiries made at Winnipeg by THE POST'S representative confirm the general opinion previously expresseded that the affairs of this company have probably passed lowest ebb and should improve in the future, although such improvement will be slow until there is a revival of building activity. The present, therefore, is not a good time to sacrifice the stock; in fact the information from Winnipeg is that there is no market at the present time. It will probably be a long time before the company is in a condition to resume dividends but officials display considerable optimism as to the outlook. We quote one of them: "Conditions have improved wonderfully this year over the last two years and will continue to improve; in fact things are coming along fine now."

B. C. Lumber.

W. H., Prescott.—Can you give me any information as to the present situation regarding the affairs of the B.C. Lumber Corporation?

Plans for the reorganization of the B.C. Lumber Corporation, with the idea of resuming manufacturing activities, are being formulated with the prospect that they will be successful. These plans have included a proposal to sell the plant at New Westminster to a concern being organized for exporting lumber by way of the Panama Canal. This project has been held up, however, owing to the fact that part of the new company's scheme was to construct six steel ships for transportation purposes, and this work cannot be carried out because of the difficulties in securing shipbuilding material. It is understood that negotiations are still pending in connection with this matter and there is yet hope that a successful solution will be reached. If the proposal to dispose of the New Westminster plant is successfully carried out, the idea will be to reorganize for the operation of the other properties which will be taken out of the hands of the receiver.

The POST has several times reviewed the steps which have been taken for the protection of the interests of the holders of company's securities. The chief idea of these arrangements, which included an issue of receiver's certificates, was to provide sufficient capital to protect the properties until such time as there was an improvement in the lumber market. This improvement has occurred in the general situation with a strong demand and materially higher prices. As the result of the financing referred to the company has so far been able to meet overhead charges, and in this connection a postponement of Government timber fees until after the conclusion of the war, has been an important factor. The next step appears to be to raise capital, either by selling the New Westminster plant or some other portion of the assets, and by this means take the properties over from the receiver and put them in operation. The bondholders appear to have a good chance of getting their money, and there may be something left for the preferred shareholders. We hope to be able to advise in the near future as to further developments.

Illinois Traction.

G.H.B., Gravenhurst.—Some few years ago I bought some Illinois Traction preferred stock at $92 and $94 respectively, and in to-day's papers I saw that the stock sold at $83 in Montreal. I bought my stock as an investment and I would be greatly obliged if you would let me know if you consider the company a safe one to leave my money in for an investment, and if you think the present earnings of the company will justify it in continuing to pay the present six per cent. dividend in the future. If you think advisable to sell my stock, I will do so at around present prices.

The company is regarded as a strong one, and there seems little doubt but that it will be able to pay the six per cent. dividend on the preferred for an indefinite period. The earnings for the first four months of the present fiscal year were fully up to those of last year, and the company is keeping expenses down to the lowest possible figure consistent with maintaining the properties in good condition. The United States Government's taxation proposals will, of course, have some effect upon the profits of the company, but it is not expected that this factor will interfere with the payment of dividends on the present basis. The company has been paying three per cent. on the common since 1913, and in the case of any slump in earnings, the common would, of course, be the first to suffer. The company is controlled by the Sun Life Assurance Company, which holds $1,602,300 preferred stock, and the FINANCIAL POST has been informed by some officials that not a share of the preferred has been sold by it for over two years. The annual reports of the Sun Life confirm this statement. The Sun Life also holds 58 per cent. of the common stock and no expenditures of any magnitude can be made without the sanction of the Sun officials. Although the stock was quoted as low as 83 recently, this was for only a 10-share lot, and no sales were consummated at that price.

CURRENT OPINION

CONSCRIPTION OF WEALTH.

Ottawa *Journal-Press.*

The moment you start to argue with one of the various species of flannel-mouthed people who talk about "conscription of wealth," you find that they deny that they meant what the words mean, and that what they do mean is something else—namely, conscription of surplus wealth. You will even find an appearance of indignation. "Oh, we never dreamed of taking a hardware man's axe, or a shoemaker's stock, or a poor man's money! We never had the slightest thought of interfering with any business! We just meant—we just meant —"here they stop to think what they meant—well, we just meant to get somebody's money who has too much." Exactly. They didn't know what they were talking about. They didn't mean conscription of wealth at all. They meant conscription of surplus wealth. And they didn't need to talk about that, if they had been intelligent, unless they were malevolent and dishonest, because the principle of conscription of surplus wealth is already in force in every civilized country in the world in the shape of taxation. And taxation is the only sensible way of putting it in force.

GOVERNMENT TELEPHONES.

Montreal *Herald.*

Dr. James Mavor, professor of political economy in the University of Toronto, made an investigation into Government ownership of telephones and based the result largely on the experience of Manitoba. He has published his findings (Government Telephones. Toronto: MacLean Publishing Company, $1.00.) In a word his verdict is that there is no possibility of relief from political intrigue. Naturally many students of public movements will take the opposite view but in any case Professor Mavor's book is of interest as giving a great amount of information in regard to this subject that has never before been available in book form.

The writer speaks of Manitoba's experience under the Roblin regime.

"The telephone system was taken over by the Government not in obedience to widespread public demand, nor on any administrative ground properly so-called, nor because the existing service was inadequate in scope or exorbitant in price, nor because sufficient capital was not forthcoming for extensions; but solely because the Provincial Government thought they saw in the acquisition a party political advantage. In other words, the Government acquired the system not to promote the public interest in any real sense, but to promote the political interest of the Government party in such a way as to contribute to keep the Government in power.

"The promises made by the Government in order to stimulate a public interest which did not previously exist were made in some cases certainly without knowledge of the subject, in other cases probably without intention of fulfilment, in all cases without justification. From the beginning of public ownership, the telephone system was used for political purposes, sometimes overtly, at other times furtively, but always with a cynical disregard for the interests of the public."

Extracts such as this might be made from almost any part of the book. Dr. Mavor is violently opposed to Government ownership:

"The entire history of the Government telephone enterprise in Manitoba affords evidence of the most positive character against Government ownership. Practically all of the defects which have emerged elsewhere in the management of industries by state officials have made their appearance in the case of the Manitoba telephones. The management has been ineconomical, the enterprise has been handicapped by political intrigue, the finances mingled with the general finances of the province have been unsoundly administered from the beginning, and the obligations of the public have been enormously increased without adequate compensatory advantages.

"It is possible that only by repeated and costly failures such as the Manitoba Government telephones, will the public realize that the proper function of Government is not the conduct of industries but the impartial inspection of them under intelligent laws adapted to the character and conditions of the community and the country."

POPULAR TAXATION.

Wall Street Journal.

We must learn by degrees the art of raising heavy revenue from taxation. To be effective, levies must be popular. American public opinion, peculiarly averse to taxes, can not be expected to change over night from a parsimonious attitude toward customs and levies to one of British or French unquestioning liberality.

France's budget for three months' war is announced at nearly two billions; it has excited no special comment in that country. The expenditure contemplated is proportionately equal to our own.

In December, 1915, the Chancellor of the Exchequer estimated the national wealth of the United Kingdom at seventy-three billions of dollars and national income was shortly after placed by Sir George Paish at fifteen billions. Revenue from customs, excise, income and other taxes for the year ended March, 1916, amounted to over two billions eight hundred millions.

It would be futile to attempt any proportionate revenue plan here. Our income is not similar, our assets are not similar and our viewpoint of taxes is not similar.

A large part of our dividends and interest is in fact industrial profit. In sharp contrast to the investment class of other countries, our investors operate the industries in which they are interested. Our "capitalists" as they are called, are in fact industrial workers, hard workers personally, and not by deputy. They have created the investments they own.

The assets from which these profits and wages are earned are largely immobile or at least slow moving. They have never been as yet properly appraised and are spoken of only in general and vague terms of many billions.

Even in times of peace the private income of the United Kingdom paid four times as much in national taxes as our own, counting customs as taxes. We are not as willing to pay taxes as our English cousins, because we have not been so much accustomed to them. Our income has been in earned wages and profits in the nature of wages from our business, which is to produce and manufacture and carry our products. Our enterprise calls for the active employment of all of our liquid capital most of the time.

To render taxation popular—to increase public willingness to raise revenue, Congressional appreciation of our distinctive economic cleavage is essential. Our capacity is an earning capacity. Taxation ought to be chiefly of our products, not of production.

THE OPEN BOOK BETTER THAN INJUNCTION COURT.

The Pittsburgh (Pa.) *Daily Leader.*

Publicity is the weapon of progress.

Publicity is the foundation of confidence.

Publicity leads enterprise before the people and creates mutual trust and confidence.

The open book is better than the open shop.

An emphatic illustration of the efficiency of publicity was given when the United States Steel Corporation—the greatest industrial organization of the world—went out of its way to give to the public full information as to its financial transactions.

The frank statement that the earnings for the first quarter of this year were $113,000,000 created no resentment.

The people accepted the corporation's action as an example of good faith, as a display of honesty, and applauded the publicity.

The incident marked the inauguration of a new era of good feeling.

The directors of the United States Steel Corporation met in New York on Tuesday of this week.

It was at this meeting that Judge E. H. Gary, chairman of the board, made public the fact that the earnings for the first quarter were $113,000,000, that the corporation had taken $5,000,000 of the Government's short-time loan, that it had recently again voluntarily increased the pay of its employees, and that it had subscribed $50,000 to the $3,000,000 fund which the Young Men's Christian Association is raising for war work in Army camps.

There is now law requiring Judge Gary and his associates to give publicity to any of these facts.

It was a voluntary act, an unforced recognition of the value of full publicity between the people and an immense corporation—a manifestation of the square deal between its labor and its capital—and a deliberate opening of its books to all.

The corporation's marvelous earnings attest not only to the extraordinary prosperity of the steel industry but quite as much to the marvelous efficiency of the organization.

Critics who have been telling us that these giant corporations were inefficient, wasteful, and bound to break down of their own weight must stand abashed before this wonderful record.

The United States Steel Corporation, it is now seen, is a great co-operative enterprise, with stockholders in every State of the Union, probably in every country in the world, with over 40,000 of its laboring men themselves actual stockholders, and with every officer and employee striving to increase the efficiency, such an organization can not help but contribute to public betterment.

And yet, under an antiquated trust law, passed before we hardly knew what the telephone was, before the advantages of co-operative effort were understood, our Government is seeking to disrupt this organization—to break it up when there is not a single complaint from its vast army of laboring men, from its enormous list of stockholders, from its many competitors, or from the public generally.

Will our lawmakers ever learn anything of modern economics?

What have they accomplished with the Standard Oil Co.?

A few days ago the Interstate Trade Commission officially acknowledged that the dissolution suit won by the Government against the Standard Oil Co. had been ineffective and that the whole matter should be opened up again.

Here is a situation where a company has been dissolved by an edict of the Supreme Court, under the Sherman law, is still being complained of, while another company has not a single complaint lodged against it by labor, capital, or consumer.

Wherein lies the difference?

Simply in honest publicity. The Steel Corporation is out in the open, doing its business with open books, on the square, in the light of day.

If the Government, instead of trying to enforce the antiquated Sherman law, should replace it with a publicity act that will compel corporations to do by law what the United States Steel Corporation does voluntarily, the trust question will be solved.

It required a man of vision, a man of courage, and a man who knew the thoughts and hopes of the people to step forward into the light as did Judge Gary.

In this time of war and war uncertainties commercial diplomacy is the peer of international diplomacy.

Patriotism can be exerted in many fields, and the patriotism that unites the people for the country's material good has its uses equally with the patriotism that meets the shock of battle.

This editorial may seem remarkable in the sense that this newspaper and very few other newspaper ever dare to write editorials commending any corporation.

But this is published in a community where the activities of the United States Steel Corporation are seen and known and their benefits felt and where fairness is appreciated.

The Steel Corporation is working in the light.

It is frank with the people, it has confidence in the people, and the people can afford to be frank with the corporation and return its confidence.

J. H. GRAYSON, the third member of the new farm loans board of Saskatchewan, is one of the old-timers of Moose Jaw. He was at one time postmaster of the city, but subsequently took up the insurance and real estate business on his own account. He has the reputation of being a shrewd and successful business man.

The Greenshields Review

A brief summary of the financial outlook that has been found valuable to its readers.

Sent monthly, without obligation to business men and investors.

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues
17 St. John St. Montreal
Central Chambers, Ottawa

THE COLONIAL INVESTMENT AND LOAN COMPANY

15 Richmond Street West, Toronto

Capital Authorized - - - - $5,000,000.00
Capital Paid Up - - - - - $2,453,995.83
Assets - - - - - - - $3,527,985.91

A GUARANTEED INVESTMENT
5 PER CENT. DEBENTURES

This Company's Debentures are a safe and exceptional security, being a first charge on the assets and undertaking of the Company.

Mortgages and other authorized securities are deposited with The Imperial Trusts Company of Canada, under a Trust Deed, in trust for the Debenture Holders to the amount of $125.00 for each $100.00 worth of Debentures issued.

Debentures are issued in sums of $100.00 upwards, and for periods up to ten years. Interest coupons attached, payable half-yearly.

Write or phone for full information.

DOMINION OF CANADA
WAR LOANS

1st Loan due 1925
2nd Loan due 1931
3rd Loan due 1937

Orders to buy or sell Dominion of Canada bonds will receive our best attention. Our extensive facilities are placed at the disposal of all investors.

A. E. AMES & CO.

Established 1889 — *Union Bank Bldg., 53 King W.* — *Investment Bankers*

Montreal — TORONTO — New York

A. H. MARTENS & COMPANY

(Members Toronto Stock Exchange)

Dealers in

Government, Municipal and Corporation Bonds

Write for list with full particulars.

ROYAL BANK BUILDING, TORONTO, CANADA

61 Broadway New York, N.Y. — Dime Bank Bldg. Detroit, Mich. — Harris Trust Bldg. Chicago, Ill.

Business Founded in 1795

AMERICAN BANK NOTE COMPANY

(Incorporated by Act of the Parliament of Canada)

BANK NOTES, BONDS, STOCK CERTIFICATES, CHEQUES AND OTHER MONETARY DOCUMENTS.

SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES

HEAD OFFICE and WORKS
OTTAWA

Branches:
TORONTO — MONTREAL — WINNIPEG

WE OFFER

CANADIAN

GOVERNMENT — PROVINCIAL
CITY — TOWN
COUNTY — TOWNSHIP

BONDS

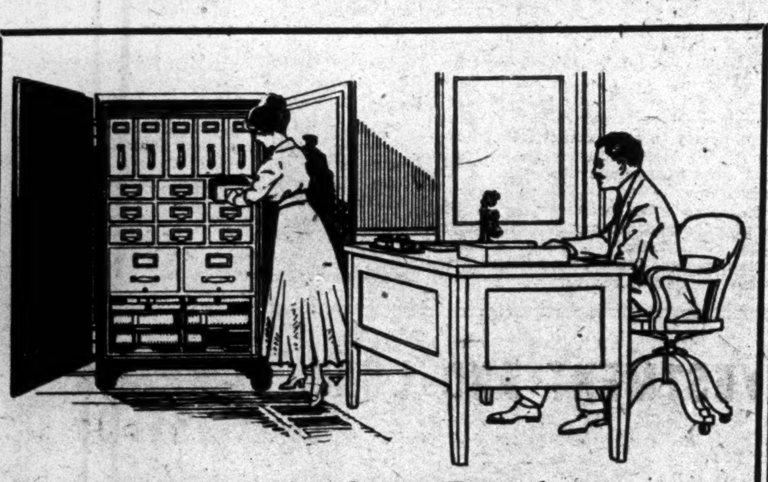
TO YIELD FROM 5½% TO 6%

LONDON
NEW YORK
TORONTO

Aemilius Jarvis & Co.

(Members Toronto Stock Exchange)

JARVIS BUILDING — TORONTO, ONT.



Security for Business Records

In the Office Specialty Record Safe, into which Standard Sectional Files for any kind of Business Records can be fitted, papers are in every respect as safe from loss and harm as they would be in the strong vault.

Where conditions of crowded vault space or entire lack of it, are experienced, the Office Specialty Record Safe should be considered and placed in service.

Ask for folder No. 1814 and full particulars on it.

THE OFFICE SPECIALTY MFG. Co. LIMITED

Largest Makers of Filing Devices in the British Empire

Home Office and Factories: NEWMARKET, CAN.

Filing Equipment Stores:

Toronto, Montreal, Ottawa, Halifax,
Winnipeg, Regina, Edmonton, Vancouver.

NEWS OF THE BOND MARKET

U.S. MAY CLOSE MONEY MARKET TO THE WORLD

Reported From Washington That Bond Issues by Foreign Governments Will Cease.

HOW WILL CANADA FARE?

Rule May Possibly be Relaxed in Her Case, or Else Direct Loan be Arranged from American Government.

A despatch this week from Washinton hints at the virtual closing of the American money markets to further foreign Government bond issues throughout the war. This step is regarded by the Treasury Department as imperative if the United States Government is to remain master of the financial situation. To achieve this purpose, it is understood that bankers contemplating the underwriting of foreign bonds will be notified by the Government of its disapproval. The investment market, so far as the Government can control it, is not to be disturbed by outside bond issues.

In line with this policy it is said the U. S. Government may find it necessary to induce the Government of Cuba to accept a loan of thirty million dollars, instead of raising this by floating a bond issue. The republic estimates her needs at this sum, but does not wish to be put in the light of asking the United States for financial aid.

Canada's position, in the light of these developments, is not a reassuring one, unless the American Government is prepared to relax the rule in her favor. The proposal of the Finance Minister to do some financing this summer in the United States could not be carried out, were American bankers prohibited from lending to foreign Governments. There would appear to be no valid reason, however, why the United States Government itself should not lend direct to Canada, just as it has been doing to the European Allies. Canada is a belligerent, supporting a large army in France, and it would be comparatively as much assistance to the cause to help her as to help Great Britain, France, or Italy. Doubtless this situation has been carefully canvassed by Sir Thomas White and some announcement may be forthcoming any day. It would create considerable relief to the bond market to know that the country will not have to rely entirely on its own resources to meet this years's requirements.

Presumably the position of the municipalities will not be affected, as their needs are comparatively light.

THE WEEK'S BUSINESS.

Issues Placed Since the Last Report Was Published.

The town of Orangeville's issue of $33,000, 5 per cent., 20-instalment Hydro-electric debentures, was awarded on Monday to Brent, Noxon & Co., at 94.03, which is about a 5.73 per cent. basis. Eight offers were made for the issue, which indicates some improvement in the bidding:—

Brent, Noxon & Co.	94.03
W. A. Mackenzie & Co.	93,96
R. C. Matthews & Co.	92.50
A. E. Ames & Co.	92.27
Imperial Bank	92.13
MacNeill & Young	92.05
W. L. McKinnon & Co.	61.63
Sterling Bank	91.10

The town of Listowel placed with W. A. Mackenzie & Co., on May 24, its two issues of $20,000, 5½ per cent., 30-instalment school debentures and $15,000, 5 per cent., 15-instalment loan debentures, the sale price being 94.485. Seven offers were received for the bonds, ranging as follows:—

W. A. Mackenzie & Co.	$33,070
Brent, Noxon & Co.	33,011
C. H. Burgess & Co.	32,807
A. E. Ames & Co.	32,778
Imperial Bank	32,593
R. C. Matthews & Co.	32,477
Canada Bond Corporation	32,308

The town of Simcoe, which offered blocks of local improvement and school debentures for sale on Wednesday, declined all tenders and will try to place the bonds locally. It is understood that the best price offered was two or three points below the best price offered for the same bonds a few weeks ago.

The town of Matheson's issue of $5,000, 6 per cent., 20-instalment fire loss bonds, guaranteed by the Province of Ontario, was awarded on May 21 to R. C. Matthews & Co.

Features of the Week

A slight improvement is to be noted in the bond business this week, though conditions generally continue very quiet. The better tone in the New York Stock market and the increasing confidence in the success of the Liberty Loan are having an effect on this side of the line. Bond dealers are pinning their faith on the expected revival in the American bond market after the middle of the month. If this only materializes and some of the accumulations of bonds in Canada can be unloaded, the outlook will be much brighter. Interest i scentering on prospective financing by certain provinces and cities towards the close of the month, and what prices will be obtained will likely determine the course of the market for some time to come. Meanwhile a few new municipal issues are being placed at low figures, while instances are still to be noted where municipal officers are rejecting all offers.

ALBERTA SCHOOLS.

The Issues Placed With An Edmonton Bond House.

The result of the sale of school district issues by the Debenture Branch of the Education Department of Alberta, on May 21, was announced this week by M. C. Elliott, manager of the branch. Ten issues in all were offered and all ten were awarded to W. Ross Alger & Co., Edmonton. For Grande Prairie S.D., $12,000, 20-year, 7 per cent. debentures, the price paid was 106.20, or approximately 6 per cent.; for Barnwell Con. S.D., $20,000, 20-year, 6½ per cent. debentures, the price was 102.81, also on about a 6 per cent. basis; and for a miscellaneous assortment of issues, aggregating $9,150, in 10-year, 7 per cent. debentures, 102.76 was paid, this being on about a 6¼ per cent basis.

B. C. LOAN BILL.

Government Getting Power to Borrow Two Millions.

The Government of the Province of British Columbia has brought down an Act called the Loan Bill, which provides for the borrowing of a sum of $2,000,000. Under the loan act of last year the Government had power to borrow $3,000,000 on its own account and $5,000,000 for the Pacific Great Eastern Railway. It is said that the new loan will be used to provide money for the operation of the new Land Settlement and Development Bill. It is not known as yet in what manner the money will be raised, whether by debentures, notes, treasury ctrtificates or inscribed stock. The money is to bear interest at the rate of five per cent. or less and will run for a term of thirty-four years.

LOAN TO MOVIE CO.

Ratepayers of Burnaby, B.C., Approve of a Bond Issue.

The ratepayers of the municipality of Burnaby, B.C., have authorized the issuance of bonds to the extent of $28,000, which will be given to the Dominion Film Corporation in the shape of an 11½ acre block which is to be used by the movie people as a moving picture plant. As a guarantee of good faith the film company will put up a cash bond of $10,000 and a further bond for $18,000 within sixty days, the money being used in construction of the first building. The company agrees to employ 300 people during the next four years, during which time it will spend $575,000 in equipment and salaries. The municipality of Burnaby will issue four-year, five per cent. bonds, and will make an effort to dispose of them locally to save the shrinkage which would be necessary in selling in an outside market.

RESTRICTION OF SINKING FUND INVESTMENTS

City of Fredericton to be Limited in Use of Its Sinking Fund Monies.

NONE FOR CURRENT EXPENSE

Members of Council to be Personally Liable for Amounts They May Vote for Other Expenditures.

Before the New Brunswick Legislature this session, legislation will be introduced affecting the powers of the city of Fredericton. Among the matters to be dealt with will be the administration of the sinking fund. The following regulations will be recommended for enactment:—

(a) Sinking funds to be invested only in Dominion of Canada, Provincial or Municipal Bonds, all investments to be subject to approval of the City Council.

(b) No part of sinking funds to be applied to paying current expenditure.

(c) If City Council applies sinking funds to meet current or other expenditure, the members voting for such application shall be personally liable for the amount which shall be recoverable by suit.

(d) If the City Council neglect to bring such suit for a space of one month action may be brought by any ratepayer.

(e) If the City Treasurer use any portion of the sinking funds in payment of current or other expenditure he shall be personally liable, etc.

(f) Members of the City Council voting for the application of sinking funds to current or other expenditure to be disqualified for two years.

Borrowing is to be permitted up to two-thirds of the assessment and tax arrears for current requirements, loans to be repaid not later than the second Tuesday of February in the following year.

N.S. TOWNS CRITICIZED.

Halifax Bond Dealer Thinks Them Foolish to Decline Offer.

Speaking to the FINANCIAL POST'S Halifax correspondent, a local bond dealer commented on what he considered the foolish policy of the town of Amherst in declining to accept a recent offer for their bonds because the offer was lower than what they had received in previous years. It was his opinion that they would not again have so good a chance, and that the price will decline before it becomes better. Trenton furnishes another instance of an offer turned down that will not again be made on so good terms to the town. The financiers of Nova Scotia towns, this broker holds, do not realize the changes that have taken place because of the enormous investment in the war loans. He added that a few other examples as to what dealers are willing to give for municipals would have to come before the real position of affairs is realized by the towns with bonds for sale.

Joseph Peterson has sold the Northern Hotel, in Sarnia, to H. Saunders, who has been proprietor of the hotel for the past five years. The building is one of the most substantial in Sarnia. It was transferred for a consideration of $15,000.

There is a possibility that Montreal water rates may be restored to the former level of 5 per cent. The city has an annual deficit of $500,000 in the waterworks department, and the increase would reduce this to $300,000.

LATEST QUOTATIONS ON CANADIAN BONDS IN NEW YORK.

Closing Prices, May 29, 1917.

Supplied to THE FINANCIAL POST by Barr & Schmeltzer, New York City.

GOVT. AND PROVINCIAL	Rate.	Due.	Bid.	Asked.	Yield.
Dominion of Canada	5	Aug., 1917	99⅞	100⅛	4.25
Dominion of Canada	5	Dec., 1925	95¾	96½	5.52
Dominion of Canada	5	Apl., 1921	97½	97⅞	5.66
Dominion of Canada	5	Apl., 1926	95½	96	5.56
Dominion of Canada	5	Apl., 1931	95½	96	5.44
Dominion of Canada	5	Oct., 1931	94	95½	5.45
Dominion of Canada	5	Mar., 1937	94¼	94⅞	5.47
Govt. of Newfoundland	5	July, 1919	95	96½	6.80
Province of Alberta	5	May, 1925-6	94	95½	5.67
Province of Alberta	4½	Feb., 1924	92	94½	5.45
Province of Saskatchewan	5	Feb., 1918	98	99½	5.50
Province of Saskatchewan	5	Dec., 1920	97	98½	5.47
Province of New Brunswick	4½	Dec., 1925	93	95½	5.16
Province of British Columbia	4½	Dec., 1925	89½	91½	5.76
Province of Ontario	5	Feb., 1920	97¾	99¾	5.10
Province of Quebec	5	Apl., 1920	97½	99½	5.20
Province of Manitoba	5	Feb., 1920	97	99	5.25
CITY BONDS—					
Maisonneuve	6	May, 1918	98	100	6.00
Calgary	6	Mar., 15, 1918	98½	100	6.00
Edmonton	6	Jan., 1921	97	100	6.00
Montreal	5	Dec., 1917	99⅝	100	5.00
Montreal	5	May, 1918	99⅛	99⅝	5.38
Montreal	5	May, 1936	97	99	5.07
Ottawa	5	July, 1945	97	100	5.00
Quebec	5	Apl., 1920-1	97	99	5.30
Toronto	4½	July, 1925	92	95¼	5.22
Toronto	4	July, 1948	76	..	....
Toronto	4½	July, 1945	90	92¾	4.80
Toronto	4½	Jan., 1949	90	92½	4.90
Vancouver	4½	Nov., 30, 1924	90	93	5.40
Victoria	5	Mar., 1919	98	99½	5.58
Victoria	4½	July, 1924	89	92½	5.80

R.C.Matthews&Co.

Government and Municipal Bonds

C.P.R. BUILDING
TORONTO

Dominion of Canada

5% War Loan

Due Mar. 1st, 1937
at 95¼ and interest,
yielding 5.40%

Delivered free of expense.

R.A.Daly&Co.

BANK OF NOVA SCOTIA BUILDING
TORONTO, ONT.

DEBENTURES FOR SALE.

Town of Sudbury

DEBENTURES FOR SALE

TENDERS will be received by the undersigned until 10 a.m., June 14th, 1917, for the purchase of the following debenture issues:—

$5,000 1 to 5 years dating from 6th February, 1917.
8,133 1 to 10 years dating from 1st March, 1917.
9,244 1 to 10 years dating from 1st March, 1917.
17,226 1 to 20 years dating from 1st March, 1917.
21,000 1 to 20 years dating from 6th February, 1917.
$60,603

All the above are 5%, equal annual payments of principal and interest, payable yearly on the dates above named. Coupons attached for interest. Validated by special Act of 1917 Legislature.

The highest or any tender not necessarily accepted.

W. J. ROSS,
Treasurer

Town of Sudbury.

Town of North Bay

DEBENTURES FOR SALE

SEALED Tenders will be received by the undersigned up to and including Friday, the 15th day of June, 1917, for the purchase of the following issues of Debentures of the Town of North Bay:

(1) $9,155.84 Local Improvement Debentures for permanent sidewalks, bearing interest at the rate of six per cent. per annum, repayable in fifteen equal annual instalments of Principal and Interest.

(2) $28,317.10 Local Improvement Debentures for Sanitary Sewers, bearing interest at the rate of six per cent. per annum, repayable in thirty equal annual instalments of Principal and Interest.

(3) $15,000.00 Bonus Debentures bearing interest at the rate of six per cent. per annum, repayable in twenty equal annual instalments of Principal and Interest.

Delivery to be made at the Royal Bank of Canada, North Bay, Ont.

J. A. CAREY,
Town Clerk.

City of Trail, B.C.

SEALED tenders, marked "Tenders for Debentures," will be received by the undersigned up to 5 p.m. on Monday, the 18th June, 1917, for $80,000.00 City of Trail, British Columbia, Waterworks Debentures. Debentures will be for 20 years, bearing 6% interest. Principal payable at end of term. Interest coupons will be attached. Denomination $500.00. Interest payable half-yearly. Principal and interest payable at Trail, Toronto and New York. Debentures bear interest from August 23rd, 1917. Issue will bear certificate of Government Inspector.

WM. E. B. MONYPENNY,
City Clerk.

The tax rate for public school supporters in Renfrew this year is 32 mills, and for separate school supporters 36 mills, an increase of nine mills over 1916. There was a large overdraft last year, which accounts for an extra three mills. An increase in school and general rates accounts for the other six mills.

PROVINCE OF QUEBEC MUNICIPAL BONDS

Yielding 5½% to 6

Correspondence Solicited

RENE-T. LECLERC

INVESTMENT BANKER

160 St. James Street Montreal

Telephones: Main 1260 and 1261

SOLICITORS

MONTREAL

P.O. Box 856. Cables—"Nahac, Montreal." Tel. M. 1250, 1251. Codes—Liebers—West. Union.

C. H. CAHAN, K. C.

BARRISTER AND SOLICITOR.

Transportation Building, St. James St., MONTREAL.

TORONTO

BLAKE, LASH, ANGLIN & CASSEL

Barristers, Solicitors, Etc.

Canadian Bank of Commerce Building, Toronto

Cable Address: Blakes, Toronto.

General Solicitors for the Canadian Bank of Commerce, National Trust Company, Limited, etc.

CHARTERED ACCOUNTANTS

EDMONTON, ALTA.

Baldwin, Dow & Bowman, Jackson Block

TORONTO

Rutherford Williamson & Co., 86 Adelaide Street, East

CONSULTING ENGINEERS

MONTREAL

W. J. Francis & Co. - 260 St. James St.

The Mercantile Agency

R. G. DUN & CO.

Consult us before extending credit or if customers are deliquent.

Canadian Offices:

Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.

Address enquiries to

R. G. DUN & CO.

Dominion Bank Bldg. Toronto, Can.

Chartered Trust and Executor Company

accepts funds for investment in selected first mortgages and gives its own Guarantee of repayment of principal and interest. This guarantee provides all the essentials of a high-class investment—good interest return, absolute promptness of payment and security of principal.

Chartered Trust and Executor Company

61 Yonge St. TORONTO

One of the best **AUTHORIZED investments for TRUST FUNDS** is our

5% DEBENTURE

Ask for Booklet "About Debentures"

Paid-Up Capital	$2,410,925.31
Reserve - -	685,902.02
Assets - -	7,426,971.18

THE GREAT WEST PERMANENT LOAN COMPANY

WINNIPEG TORONTO VICTORIA REGINA CALGARY VANCOUVER EDMONTON LONDON, ENG. EDINBURGH, SCOT.

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE THIRD DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board,

GEO. H. SMITH, Secretary.

Toronto, May 30th, 1917.

FIELD OF MUNICIPAL FINANCE

FIRST CLEAR STATEMENT OF ITS FINANCES

Toronto Receives Detailed Report on Funded Debt and Sinking Fund.

DEBT NEARS $100,000,000

Schedule of Every Item in the Debt With Its Accumulated Sinking Fund Presented for First Time.

An admirable presentation of the condition of Toronto's funded debt and sinking fund at the end of 1916 is contained in Finance Commissioner Bradshaw's first annual report, made public this week. Never before has the exact position of affairs been so clearly and completely set forth and, while there are many features that will or should give citizens of Toronto deep concern, it will be satisfactory to them to know that there is nothing withheld or glossed over and that the finances of the city are being most ably handled.

The gross funded debt is shown to be $97,730,920, of which $89,507,177 is payable at the end of a term of years and the balance in annual instalments. Every item of the debt is set forth in a schedule occupying several pages of the report. This schedule gives the number of by-law, year of issue, maturity date, where payable, whether sterling or currency, interest rate, amount, and what is most important, the accumulated sinking fund in the case of each bond issue. This is the first time that so complete a statement of the debt has been presented.

Another valuable innovation is a record of sinking fund investments, which is also supplied in detail, with a certification from the Toronto General Trusts Corporation and the National Trust Co. that all the bonds and debentures of the sinking fund have been examined. The sinking fund, at December 31, 1916, amounted to $23,062,347, of which $19,801,240 represented city of Toronto debentures, and $975,486 Dominion of Canada bonds.

Mr. Bradshaw's report goes into careful detail in numerous particulars, but its whole tenor may be summed up in the word, Economy. Every section and every table seems to have in view the necessity of impressing on the City Fathers and the citizens the need for holding down capital expenditure. The rapid growth of the funded debt, its further enlargement in 1917, the increase in the tax rate, the prospect of having in four years' time to take over the Toronto Railway Company — all these are adduced as reasons for exercising the strictest economy. The need for careful management of revenue-producing undertakings, so that they may be at least self-supporting, is also emphasized.

During 1916, it is set forth that $12,385,914 of debentures were sold. These were marketed at prices averaging 5.03 per cent. Practically the whole of $6,644,914 was sold to the sinking fund, while issues of $3,147,000 and $2,594,000 were sold by public tender at prices of 5.03 per cent. and 5.09 per cent., respectively. The prices received were regarded as highly satisfactory, in view of prevailing conditions.

Mr. Bradshaw devotes some space to answering the criticism that, relatively, Toronto's debt is greater than that of like cities in the United States. In this connection he points out that it is essential to bear in mind that the $97,730,920 comprise the city's entire funded debt, inclusive of debts for annexed districts and for all civic undertakings such as Hydro-electric system, civic street railway, waterworks, schools, parks, etc. In most United States cities, the street railway, light and power plant, and frequently the waterworks, are owned and operated by privately financed corporations. Practically two-thirds of Toronto's debt has been contracted for the five most essential services of a progressive and well-governed municipality, viz., local improvements, education, water, light and power, and sanitation, while over 45 per cent. has been incurred for undertakings which produce sufficient revenue to cover either wholly or in part their debt charges.

AN OPPORTUNITY.

Now Is Time to Buy Government Issues, Says Bond House.

"In these time of increasing expense," writes G. A. Stimson & Co., Toronto, in a recent circular, "it is necessary to secure the largest income possible, with safety, on investments. Never in our experience has there been for sale such high grade securities at such low prices. Government bonds are the highest grade securities it is possible to obtain."

G. A. Stimson & Co. offer Anglo-French bonds, due Oct. 15, 1920, at 93 and interest, yielding about 7.30 per cent.; United Kingdom, 3-year, 5½ per cent. gold bonds, due Nov. 1, 1919, at 95.60 and interest, yielding over 7 per cent., and U. K., 5-year, 5½ per cent. gold bonds, due Nov. 1, 1921, at 95.50 and interest, yielding nearly 7 per cent.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

June 4, Watford, Ont.—$9,713.21, 5½ per cent., 20-instalment, hydro-electric debentures of the village of Watford. W. S. Fuller, Village Clerk.

June 6, Russell, Man.—$1,000, 6 per cent., 20-instalment bonds of the town of Russell, Man.

June 12, Port Moody, B.C.—$25,000, 6 per cent., 3-year bonds of the city of Port Moody, B.C., issued on the security of tax arrears. J. J. Tye, City Clerk, Port Moody, B.C.

June 15, North Bay.—$52,472.94, 6 per cent., local improvement and bonus debentures of the Town of North Bay. J. A. Carey, Town Clerk, North Bay, Ont. (For fuller particulars consult advertisement, page 8).

June 15, Oil Springs.—$10,000 six per cent. 20-year hydro-electric debentures of the Village of Oil Springs. Dallas P. Sisk, Village Clerk, Oil Springs, Ont.

June 18, Trail, B.C.—$80,000, 6 per cent., 20-year waterworks debentures of the town of Trail. Wm. E. B. Monypenny, City Clerk. (See details in advertisement, page12).

BY-LAWS PASSED OR DEFEATED.

May 28, Elmira, Ont.—$15,000 loan to the Elmira Machinery and Transmission Co., and $2,500 release of mortgage on building to be occupied by the Phonola Co. of Canada, carried by the necessary two-thirds majority.

May 29, Petrolia, Ont.—$15,000 for extension of the local hydro-electric system, passed by the town council.

May 19, Burnaby, B.C.—$28,000 by way of loan to the Dominion Film Co., passed by the ratepayers.

BY-LAWS TO BE VOTED ON.

June 8, Galt.—$15,000 for the purchase of drilling outfit and storage lot, erection of storage buildings and repair of bridges.

June 4, Drayton, Ont.—$9,500 to provide for the cost of a plant to distribute electrical power to be distributed by the Hydro-Electric Power Commission of Ontario.

June 8, Gleichen, Alta.—$4,000 to provide for the purchase and operation of an electric light plant.

June 2, Biggar, Sask.—$17,000 for an addition to the present school building in the Biggar S. D.

SASKATCHEWAN.

The following is a list of debenture applications granted by the local Government Board from May 14th to May 18th.

School Districts. — East Fairwell $1,700,

Rural Telephone Companies.—Bench, $14,800; Lakeside, $4,000; Gettinger, $4,300; Herschel, $26,100; Eagle Hills, $9,500; Mazened, $11,600; Druid, $7,900; Terendal, $14,800; Heavylands, $700.

Village of Wakaw, $2,500.

BOND SALES.

$10,000 Bell Telephone at 96½; $3,000 Can. Cement at 97½; $500 Can. Cotton at 83; $20,000 Can. Consol. Rubber at 94¼; $3,700 Cedar Rapids at 88¼ to 88; $3,000 Dom. Coal at 91; $1,000 Dom. Iron at 87; $2,500 Dom. Textile, Series C, at 98¾; $4,000 Lyalls at 85; $7,000 Montreal Power at 90; $5,900 Montreal Trams. debs. at 74¾; £900 Price Bros. at 83; $2,000 Wayagamack at 86; $128,600 First War Loan at 96¾ to 96; $83,200 Second War Loan at 95¾ to 94; $143,800 Third Ward Loan at 95 to 94¾.

SMALL SURPLUS BY UTILITIES OF EDMONTON

Only Street Railway Shows a Deficit For the Past Year.

SMALLER THAN LAST YEAR

Comments on Results as Compared With Private Corporations by City Commissioner.

Earnings of the five public utilities of the city of Edmonton for the year 1916, as disclosed in the recently published financial statement of that municipality, show a surplus over operation and maintenance charges of $789,666.23, and over all charges, including depreciation, of $18,602.75. This is made up as follows:—

	Surplus on Operations & Maintenance	Surplus on all charges inc., depre.
Electric Light and Power	$196,255	$64,788
Waterworks	173,220	24,410
Telephone	167,965	9,570
Power House (to June 30) ..	119,468	39,430
Street Railway ..	132,755	*119,597
	$789,666	$18,602

* Deficit.

It is pointed out by A. G. Harrison, city commissioner, that in comparing this showing with the records of privately owned companies, it should be borne in mind that a private corporation does not ordinarily lay aside what is known under municipal ownership as a sinking fund to retire debentures at the end of a certain number of years. Utilities operated by a municipal corporation are not only required to pay all operating, maintenance and depreciation charges and interest, but are also compelled to put aside a large sum of money each year into the sinking fund for the redemption of the capital monies invested.

CLEANING UP ARREARS.

Toronto Meeting With Success in Collecting Tax Arrears.

City Treasurer Bradshaw, of Toronto, has made an encouraging report on the receipt of tax arrears. There was outstanding at the beginning of the year, $4,400,170. This sum has been reduced to $2,700,000. The amount of taxes due prior to 1915 is only $158,218 and for 1915, $600,000. The amount of arrears on the first of April was $3,213,406 and during that month there were paid $461,852.

The city has now altogether 26,438 feet of land, of which 13,673 was acquired at tax sales. In 1912 the total frontage of land held by the city was a million feet.

While the arrears are mostly on vacant land, some are on large buildings, and it is stated that some of these may have to be sold to meet the taxes.

REGINA'S UTILITIES.

Make Good Showing for First Four Months of the Year.

Regina's city auditors report a surplus of $21.602 on general revenue account for the first four months of the year. Income for the period was $223,272 and expenditure $210,670. In expenditure the city is keeping well within the limit, the estimate for the year, being $670,243.

Public utilities have a credit balance of $17,831 for the four months, which is regarded as an excellent showing in view of the fact that the estimated surplus for the whole year is only $17,169. The result is due to the unexpectedly large surplus shown by the electric light and power department, the actual surplus being $14,201, as compared with an estimate of only $1,938 for the whole year. The street railway, on the other hand, showed a deficit of $20,233, the estimated deficit on this utility being $55,874 for the twelve months. The waterworks department had a surplus of $5,505, or about one-third of the estimate for the year.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
May 18	East End S. D., Sask.	H. O'Hara & Co. Toronto	....	......	$ 6,000	....	....
" 18	Fraternity S. D., Sask.	Goldman & Co., Regina	....	......	1,900	....	....
" 18	Anzac S. D., Sask.	Goldman & Co., Regina	....	......	1,600	....	....
" 18	Longdale S. D., Sask.	Goldman & Co., Regina	....	......	1,850	....	....
" 18	Silver Springs S. D., Sask.	Macneill & Young, Limited	....	......	1,200	....	....
" 18	North West Smiley R. T. Co., Sask.	Nay & James, Regina	7%	15-ins.	5,700	....	....
" 18	Huron R. T. Co., Sask.	H. O'Hara & Co., Toronto	7%	15-ins.	17,000	....	....
" 18	Stewart R. T. Co., Sask.	Goldman & Co., Regina	7%	15-ins.	8,500	....	....
" 18	Biggar Cochrey R. T. Co., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	18,800	....	....
" 18	Twin Buttes R. T. Co., Sask.	O. L. McQuay, Regina	7%	15-ins.	5,200	....	....
" 18	Silton North West R. T. Co., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	6,400	....	....
" 18	Disley R. T. Co., Sask.	Kerr, Flemming & Co., Regina	7%	15-ins.	8,200	....	....
" 21	Matheson, Ont., fire losses	R. C. Matthews & Co., Toronto	6%	20-ins.	5,000	....	....
" 21	Grande Prairie S.D., Alta.	W. Ross Alger & Co., Edmonton	7%	20-ins.	12,000	106.20	6.00%
" 21	Barnwell Con. S.D., Alta.	W. Ross Alger & Co., Edmonton	6½%	20-ins.	20,000	102.81	6.00%
" 21	Miscellaneous S.D.'s, Alta.	W. Ross Alger & Co., Edmonton	7%	10-ins.	9,150	102.76	6.13%
" 24	Listowel, Ont., schools	W. A. Mackenzie & Co., Toronto	5½%	30-ins.	20,000	94.48	5.95%
" 24	Listowel, Ont., loan	W. A. Mackenzie & Co., Toronto	5%	15-ins.	15,000	94.48	5.95%
" 28	Orangeville, hydro-electric	Brent, Noxon & Co., Toronto	5%	20-ins.	33,000	94.03	5.73%
" 29	Thalberg S.D., Man.	H. O'Hara & Co., Toronto	7%	15-ins.	2,000	....	....
" 29	Redcliff, Alta., waterworks	H. O'Hara & Co., Toronto	5%	1933	6,000	....	....

Credit-Canada, Limitée

Government, Municipal and School Bonds

President. Hon. H. B. Rainville

Managers { E. A. Ouimet, F. Saint-Pierre

179 St. James Street, - Montreal, Canada

Canadian Bonds in U.S.A.

We purchase entire issues of Canadian Bonds—Government, Provincial or Municipal. We invite correspondence regarding proposed issues, and will give the same our prompt and careful attention.

THE TILLOTSON & WOLCOTT CO. - Cleveland, O.

J. P. BICKELL & CO.

STANDARD BANK BUILDING, TORONTO, CANADA

MEMBERS OF THE CHICAGO BOARD OF TRADE, NEW YORK COTTON EXCHANGE, NEW YORK PRODUCE EXCHANGE, WINNIPEG GRAIN EXCHANGE, STANDARD STOCK AND MINING EXCHANGE.

Wheat, Grain, Provisions, Cotton, New York Stocks, Bonds, Canadian Securities

Cobalt and Porcupine Mining Stocks

BOUGHT AND SOLD.

Private Wires. All Exchanges. Direct private wire to New York Curb. Market Letter Mailed Free on Request.

H. O'HARA & CO.

Members Toronto Stock Exchange

Stocks and Bonds dealt in on all Exchanges. Municipal, School District, Rural Telephone, etc., Bonds always on hand for investment. Write for particulars and list of offerings.

Royal Bank Building, Toronto

MODERN BUSINESS DEMANDS STEEL EQUIPMENT

Why buy Wood Furniture?

STEEL does not stick or warp—Wood does.
STEEL saves space, therefore costs less.
STEEL will not burn—Wood will.
STEEL is modern—Wood old-fashioned.

Therefore, Buy Steel Equipment.

Cuts out the fire risk, saves space, reduces expense.

THE STEEL EQUIPMENT COMPANY, LIMITED

UNION BANK BUILDING - - OTTAWA

Factory at Pembroke

Ask for our thirty-two page catalogue.

Sweeping on to Better Salesmanship

President Wilson, addressing the first World's Salesmanship Congress a year ago, said:

"With the thought that you are Americans who carry liberty and justice and the principles of humanity wherever you go, go out and sell goods that will make the world more comfortable and more happy, and convert everyone to the principles of America."

That is the inspiration—the high ideal—of the second World's Salesmanship Congress, to be held June 10-14, at Detroit, and opened by Mr. Charles M. Schwab, one of the world's master salesmen. To foster Better Business, through Better Salesmanship, forty-five clubs—15,000 individual salesmen—are now permanently enlisted under that banner. They have the guidance of the really big men of American industry.

They are thinking of, and working for, Better Business now as never before.

The Second Congress will be a big, concrete exposition of sales methods and improvements in them. It will be intensely practical, immensely valuable. Come to Detroit.

Send the coupon now, that accommodations may be arranged for you.

Detroit, June 10-14.

D. M. Barrett, Secretary Manager, World's Salesmanship Congress, Kreage Bldg., Detroit, Mich.

I will attend the Congress.

Name ....

Address ....

....

POLICIES PROVIDING

Guaranteed Annuities, Payable Monthly

A policy that secures to the beneficiary a definite income payable in monthly instalments throughout life is the ideal life assurance contract. Such an income is guaranteed for twenty years under Mutual-Life-of-Canada contracts issued on the Life, Limited Payment Life and Endowment plans. The income will be increased by an interest dividend during the twenty years of guaranteed payments. Write for our booklet—"Policies Providing Guaranteed Annuities Payable Monthly." Full particulars of any desired plan may be secured by giving age of the prospective beneficiary as well as your own.

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO ONTARIO
ASSURANCES, $109,645,581 ASSETS, $29,361,963 SURPLUS, $4,595,151

British Colonial Fire Insurance Co.
2 Place d'Armes, Montreal
AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
SURPLUS TO POLICYHOLDERS, $1,820,752.82
A Canadian Company Investing its Funds in Canada
APPLICATION FOR AGENCIES INVITED.

NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

Total Benefits Paid 42 Million Dollars

FRED J. DARCH, S.S., E. G. STEVENSON, S.C.CR., Temple Building, TORONTO.

Municipal Bond Sales for 1916

COMPILED, REVISED AND TABULATED FROM OFFICIAL REPORTS

¶ A list of original purchasers, price and income basis of the Municipal Bonds sold in 1916, showing purpose, amount, interest rate and maturity of each issue. The names of the borrowing States, Counties, Cities, etc., are arranged alphabetically by States.

PRICE $5.00 PER COPY

THE BOND BUYER
The Authority on Municipal Bonds
25 WEST BROADWAY NEW YORK, N.Y.

Macey

SECTIONAL Filing Cabinets

grow as you need them.

Ask your Furniture Dealer about them or write us direct.

CANADA FURNITURE MANUFACTURERS LIMITED
General Offices: Woodstock, Ont.

INVESTORS' INSURANCE NOTES

INSURANCE ACT OF 1910 MUST BE ENACTED AGAIN

Two Sections Were Declared by Privy Council to be Ultra Vires.

A QUESTION OF AUTHORITY

New Measure Gives Dominion Power to Demand License from British and Foreign Companies.

On Friday of last week Sir Thomas White introduced the proposed new enactment of the Insurance Act of 1910.

"This bill is introduced," said Sir Thomas, "for the purpose of re-enacting the Insurance Act of 1910 and of making such changes as are necessary to remove those features of the existing Act which have been declared by a recent decision of the Privy Council to be unconstitutional. There are also contained in the bill a few amendments of a non-contentious nature, which are, however, deemed necessary for the proper administration of the Act."

The decision to which the Finance Minister referred was that delivered by the Privy Council on February 24, 1916, in an appeal taken by the Attorney-General of Canada from a judgment of the Supreme Court. The Attorney-General of Alberta, Manitoba, New Brunswick, Nova Scotia, Ontario, Quebec, and Saskatchewan had questioned the right of the Dominion to prohibit insurance companies with provincial licenses from transacting business without securing a Dominion license. This right was claimed under section 4 of the Insurance Act of 1910.

The Privy Council in rendering judgment declared that the authority to legislate for the regulation of trade and commerce, conferred on the Dominion by section 91 of the B.N.A. Act, did not extend to the regulation by a licensing system of a particular trade in which Canadians would otherwise be free to engage in a province. The business of insurance was such a trade. Accordingly section 4 of the Insurance Act was *ultra vires*.

A second question submitted as to whether the Dominion Government could exercise authority in the case of a foreign company, which took out a provincial license, was decided in the affirmative. The Privy Council stated that Parliament does possess jurisdiction, under section 91 of the B.N.A. Act, to require a company incorporated by a foreign state to take out a license from the Minister of Finance, even in a case where the company desires to carry on its business only within the limits of a single province. By properly framed legislation it was stated, it would be possible to impose such a restriction.

As the purpose of the section was in the main to place the control of foreign insurance companies in the hands of the Minister of Finance, and as the section generally was *ultra vires*, it has become necessary, in order to give the Minister the desired authority, to redraft it and re-enact the whole measure. Another section, number 70, which provides for penalties in case of violation of section 4, was also declared *ultra vires*, and it has also been redrafted. Careful distinction is now made between "Canadian," "provincial," "British" and foreign" companies and the Department of Justice and special counsel have given their opinion that the new wording is valid.

One other interesting change introduced in the Act is the addition of a paragraph making such debentures as those of a rural telephone company a legal investment for the funds of insurance companies.

FIRE LOSSES HEAVY.

Saskatchewan's Insurance Department Reports on 1916 Business.

Returns made to the superintendent of insurance of Saskatchewan for 1916, covering fire losses, have recently been compiled. The total fire loss for the year amounted to $1,558,191.66, which includes the estimated as well as the adjusted losses. This is about $950,000 in excess of 1915. While the loss was very much greater, it is pointed out that the information supplied was much more comprehensive than ever before, it having been gathered from three different sources, viz.: from reports of the adjusters, from fire insurance companies themselves and from the local assistants to the fire commissioner.

The fire companies paid out in fire claims a sum approximating $875,000, against which they had a premium income of $2,100,000.

There were fifteen deaths during the year caused by fire; 11 due to lighting fires with coal oil and gasoline, and 11 others were badly burned, though not fatally.

Dealing with the occupancy of buildings destroyed the returns show that 178 barns were burned, 14 churches, 488 dwellings, 31 elevators, 37 granaries, 9 garages, 28 hotels, 14 hardware stores, 12 livery barns, 72 stores, 36 stables, 22 warehouses.

The cause of these fires, of course, varies greatly, but amongst the more serious may be mentioned: adjoining fires, 94; from careless smokers, 28; children and matches, 24; defective heating and wiring arrangements, 72; hot ashes, 18; lightning, 124; overheated stoves and pipes, 80; incendiary, 15.

WANT STATE INSURANCE.

Victoria, B.C. Not Satisfied With Treatment By Underwriters.

The city council of Victoria, B.C., has taken preliminary steps to see whether a system of state fire insurance cannot be inaugurated in British Columbia. Information is being sought from New Zealand where such a system has been in force for more than ten years, and has brought about a reduction of 10 per cent. in trade rates, and 33 per cent. in residential rates, and from some of the district fire insurance organizations of the Prairie Provinces of Canada. When the information is secured the city will commence negotiations with the Provincial Government. This action was brought about through the alleged failure of the Vancouver Island Board of Fire Underwriters to offer the city a satisfactory reduction in fire insurance rates.

BONDS FOR EMPLOYEES.

Aetna Life Makes Generous Terms for Its Staff.

A subscription of one million dollars has been made by the Aetna Life Insurance Co.: $250,000 by the Aetna Casualty and Surety Co., and $250,000 by the Automobile Insurance Co. of Hartford, to the U.S. Liberty Loan. To make it as easy as possible for officials, agents and employees of the three companies to subscribe for Loan, the following arrangements, as explained by President Bulkeley in a circular, have been made:—

You may apply in your own name but through the Ætna Life Insurance Co. for such amount of bonds as you may wish to subscribe for, agreeing to pay five per cent. promptly on the first of each month thereafter until the bonds are paid for. The company will purchase the bonds to the amount of your subscription and hold them for you until you have completed your payments.

Delivery of the bonds will be made at any time on payment of the balance due with accrued interest and the company will allow interest at three and one-half per cent. on the partial payment. Adjustment of interest will be made at the time the final payments are made.

If at a later date the United States Government should issue other bonds of this nature bearing a higher rate of interest, we will arrange to exchange your bond or bonds for an equal amount of the new issue bearing the higher rate.

FEAR THE TAX.

Hail Insurance Companies Protest Against Business Profits Measure.

Hail insurance companies in Western Canada are protesting against the business profits tax, claiming that it will drive them out of business. By the very nature of the business in which they are engaged, it is necessary for such companies to make large profits in order to meet exceptionally heavy losses, which from time to time occur, and if the companies are to remain in business, they will have to be relieved of this tax up to a certain figure. As a sort of compromise they have expressed their willingness to submit to the tax, if a proportion is left with them to create a reserve fund to offset possible losses.

The Regina Board of Trade, on the representations of the hail insurance men, have appointed a special committee, which will lay the matter before the authorities at Ottawa, in the hope that some modification of the act may be secured.

MANITOBA INSURANCE.

General Insurance Business Enjoyed Expansion During 1916.

Manitoba superintendent of insurance, A. E. Ham, shows in his report for 1916, just issued, that at the end of the year there were 53 licensed companies, 155 registered companies and 19 underwriters' agencies doing business under the Manitoba Insurance Act, while up to May 1, 1917, 3,143 agents' licenses had been issued.

Statistical tables show that, omitting the business of fraternal societies, the premiums received by 144 companies operating under Dominion licenses and 26 companies operating under Manitoba licenses amounted to $7,715,532 and losses to $3,330,663. Life insurance led with premiums of $3,901,059 and death claims of $1,102,571. Fire companies collected premiums of $2,740,842 and paid losses of $1,458,915. This experience as compared with previous years may be thus exhibited:

	Total Premiums	Total Losses
1913	$7,240,043	$2,306,897
1914	7,386,410	2,426,182
1915	7,059,718	2,114,985
1916	7,715,532	3,330,663

The principal life companies did the following business in the province during the year:

	Business Written	Amount at Risk
Canada Life	$ 664,918	$7,887,648
Confederation Life	488,794	7,653,852
Equitable	812,280	2,841,088
Great-West Life	3,983,055	26,574,545
Imperial Life	506,210	4,377,910
Manufacturers' Life	1,051,445	7,476,133
Metropolitan Life	2,175,000	7,900,000
Monarch Life	373,226	1,889,356
Mutual Life	1,404,101	9,533,004
National Life	423,241	4,735,506
New York Life	399,520	5,043,429
North American	1,214,615	4,788,417
Prudential Life	1,560,041	4,881,633
Sun Life	866,234	10,280,536

The recently amalgamated Eagle and British Dominions General Insurance Company, Limited, of London, announces the absorption of the Sceptre Life Association, Limited, of London. The latter company was established in 1864 and Edward Wood, J.P., was its chairman and Wm. Bingham, J.P., its managing director. It did a small life and annuity business.

CANADIAN COAL FIELDS, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 3rd day of May, 1917, incorporating Frank Hedley Phippen and Archibald James Reid, both of His Majesty's counsel learned in the law for the Province of Ontario, Reginald Herbert Montague Temple, solicitor, William Bowler and Frederick Charles Allen, clerks, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To purchase, lease, or otherwise acquire coal fields and coal lands, ore bearing properties, mineral lands, mining locations, mining and surface rights, timber limits, wood lands, and timber lands, oil fields and privileges, natural gas lands and properties, water lots, water powers and privileges and other rights, privileges, easements and licenses; (b) To lay out, construct, purchase, lease or otherwise acquire, maintain, operate and manage; (1) Mines of coal, iron or other minerals whatsoever, oil wells and wells of natural gas, or any products or by-products of any of them, mining structures, plant, mills, pipe lines, buildings, machinery and appliances of every description; (2) Power houses, structures, plant and equipment for the development, generation, transmission or utilisation of water, steam, gas, electric or other powers and structures and plant for any form of heating and lighting; provided, however, that the sale, transmission or distribution of electric, pneumatic, hydraulic or other power or force beyond the lands of the company shall be subject to local and municipal regulations in that behalf; (3) Steamships and vessels, piers, docks, drydocks, wharves, slips, basins and all incidental structures and appliances; (4) Bridges, roads, tramways on lands owned or controlled by the company, aerial carriers, trails and ways of every description, yards and tracks for the storage or handling of any of the company's products or for the delivery thereof to adjacent railways; and (5) Offices, stores, shops, grain elevators, hotels, boarding houses, dwellings, workmen's houses, restaurants and buildings of every description; (c) To purchase, sell and deal in any manufactures, products or by-products of the works hereinbefore specified, or any commodities, merchandise or manufactures which may be conveniently handled therewith and are germane to the objects herein specified; (d) To purchase, acquire, sell and deal in any exclusive rights, patent rights, privileges or licenses in connection with the business of the company; (e) To guarantee any indebtedness, whether bonded or otherwise, of any company with which the company may have business relations and authorized to conduct any business within or similar to the powers of the company; (f) To issue and allot, as fully paid up, shares of the company hereby incorporated in payment or part payment for any services rendered or for any property, movable or immovable, property rights, lease, business, franchise, undertaking, powers, privileges, license, concession, stock, bonds and debentures, or other assets or things which it may lawfully acquire by virtue of the powers hereby granted, or to pay for same or any part thereof in bonds, debentures or other securities of this company; (g) To acquire the stock, securities or undertaking of any other company having for one of its objects the exercise of any of the powers of the company, or to transfer its undertaking or assets to, or to amalgamate with any such company; (h) To enter into any partnership or into any arrangement for sharing of profits or union of interests, co-operation, joint adventures, reciprocal concessions or otherwise, or to amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to engage in or carry on, and to lend money to and act as employer, agent or manager of any such person or company, and to carry on the business of and to guarantee the contracts of or to otherwise assist any such person or company or any customers, and to guarantee the securities issued or to be issued either conditionally or upon any condition, the bonds, debentures, or other securities of any such company, and to take, hold, or otherwise acquire, shares and securities of any such company notwithstanding the provisions of Section 44 of the said Act, and to sell, hold or re-issue with or without guarantee or otherwise deal with the same; (i) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, bonds, debentures or other securities belonging to the company or which the company may have power to dispose of; (j) To acquire by purchase or otherwise, hold, sell and deal in the business, assets, good-will and securities of any other company having for one of its objects the exercise of any of the powers of the company, or carrying on any business capable of being conducted so as to benefit the company, and to promote or assist in promoting any such other company or any subsidiary company, and to pay out of the funds of the company the costs and expenses of such promotion and assistance. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Canadian Coal Fields, Limited," with a capital stock of ten million dollars, divided into 100,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 5th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Western Assurance Company
(Fire, Explosion, Ocean Marine and Inland Marine Insurance)
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - - - - - $ 5,000,000.00
Losses paid since organization over - - - - - - - - $65,000,000.00
BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, John Aird, Robert Bickerdike, M.P. (Montreal), Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. A. Robert (Montreal), E. R. Wood.

Chief Office for Canada, TORONTO
LONDON & LANCASHIRE FIRE INSURANCE COMPANY
ALFRED WRIGHT, MANAGER

"Profits 1917"

is a pamphlet showing the dividends the Policyholders of The Great-West Life are receiving on their Policies.

The Great-West Life is paying unequalled profits to its Policyholders. The main reason is the high interest rate on investments. An advantage of two points in the interest rate will give double the profits otherwise available to Policyholders. So the importance of the fact that for many years The Great-West Life has earned over 7% on investments is clearly apparent.

Not only are profits high—but premiums are low. Here are two of the strongest possible reasons why those needing the protection of Life Insurance should look into the Policies of

The Great-West Life Assurance Company
Dept. "G."
Head Office - Winnipeg

Ask for personal rates and sample Policies, stating age next birthday

British America Assurance Co.
(Fire, Hail, Ocean Marine and Inland Marine Insurance)
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, Vice-President and General Manager; Robert Bickerdike, M.P. (Montreal), John Aird, Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, E. A. Robert (Montreal), E. R. Wood.
Assets, Over - - - - - $ 2,700,000.00
Losses Paid Since Organization, Over - - - - - - - $40,000,000.00

"Keep the Home Fire Burning"
by placing a Monthly Income Policy in
The Dominion Life Assurance Company
It guarantees your wages after death.
Head Office, - Waterloo, Ont.

Geo. O. Merson & Co.
Chartered Accountants.
807 Lumsden Bldg., Toronto

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter 1727.
Paid-up Capital - $2,000,000
Rest & undivided profits $800,986
Head Office
St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, A. K. Wright, Secretary, J. B. Adshead.
London Office, 3 Bishopsgate, E.C. Wm. Wallace, Manager.
Glasgow Office, Exchange Square. A. Dennistoun, Agent.
167 Branches throughout Scotland

Banking business of every description transacted. Accounts opened and agency business undertaken for Foreign and Colonial Banks and other financial establishments. Bills, Cheques and other documents collected. Drafts, Circular Notes and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

REAL ESTATE AND MORTGAGES

EFFORT BEING MADE TO BOOM MAISONNEUVE

Thousands of Workmen in Local Factories Live Outside City.

ACCOMMODATION LIMITED

City Holds "Maisonneuve Day" to Attract the Attention of Bankers, Capitalists, Manufacturers, and Others to the City.

An effort to induce people to come and live in Maisonneuve was made on Sunday last, when "Maisonneuve Day" was held. The origin of the movement was this: When the new City Council took office on February 1, it was found that the city had a large debt. Leon Gelinas, president of the Finance Committee, suggested that the first thing to be done was to take an inventory of the city's assets, so that, with that as a basis, something might be done to continue the growth which had been halted by the war. The suggestion was approved, and the inventory was taken.

It was found among other things that of the 5,500 workmen employed in Maisonneuve's forty factories, over half did not live in the city. This showed that Maisonneuve needed houses, and needed them badly. Further, these workmen, who had to go elsewhere for homes, spent their money outside the city to the loss of the local merchants. It was then that the City Council decided that something had to be done to tell the public of Montreal and other cities of the needs of Maisonneuve. Maisonneuve Day was accordingly instituted, and invitations were sent to Premier Gouin, of Quebec; Mayor Martin, of Montreal, and various bankers, capitalists, investors, and manufacturers, to come and see the city.

Commenting on present developments, Ex-mayor Michaud said: "With the growth in factories and the coming of many thousands of workmen and their families, the population of the city is bound to go ahead faster than it ever has before.

"That means thousands of homes and shops of all kinds. Truckage from Montreal will become intolerable and the shops will have to come to Maisonneuve. That will mean very heavy demand for building lots. I regard lots in Maisonneuve as having a splendid chance of enhancing in value in the very near future. Lots on paved streets with concrete and parked sidewalks, sewerage, water and light awaiting connection, can be purchased in Maisonneuve for from sixty cents to $1 per square foot.

"Taking all these things into consideration, I believe that I am justified in saying that no section of the Island of Montreal has a greater future than the city of Maisonneuve."

SUBDIVISIONS TO DISAPPEAR.

Much of This Property in West Will Revert to Farm Lands.

Under the amended municipal laws, which enable Saskatchewan municipalities to compromise on arrears of taxes on subdivision properties, it is regarded as likely that many annexes or subdivisions will revert to farm lands. Before a subdivision can be restored to farm lands a receipt from the municipal office must be secured intimating that all outstanding taxes have been paid to date. Hence the necessity in many cases of allowing the municipal institution to accept a smaller amount than the arrears of taxes levied in those years when the subdivided property was selling at an abnormally high price. In the case of a probable purchaser of acreage in a subdivision appearing, the existence of heavy arrears of taxes would be a serious obstacle to the completion of the deal, but with the power now given to the municipality to accept less than the full amount outstanding, this obstacle will to a great extent disappear. In many subdivisions, too, the cancelling will doubtless mean much to assist in the campaign to cultivate every possible acre of land.

BUYS CORNER.

Imperial Bank Acquires Old Hotel Property in Toronto.

The Imperial Bank has acquired the old Falconer Hotel, at the northwest corner of King and Spadina avenue, Toronto, a portion of which may be turned into a bank. It was obtained through the foreclosure of a mortgage and was recently conveyed from the Chartered Trust and Executor Co. to the bank. The property has dimensions of 104 feet by 128 feet, and the assessment on the land is $56,500, while the building is assessed at $12,500. At present a temperance hotel is being run in the building.

OAKVILLE TRANSFERS.

Several Toronto Business Men Acquire Properties at This Point.

F. W. Baillie, of Toronto and Hamilton, has purchased J. W. Allen's lake shore property of forty acres at Oakville, and will erect a country home.

J. W. New, Toronto, has secured 10 acres of I. C. Wilson's lake shore property and will begin improvements shortly.

R. A. Baines, Toronto, has bought E. A. Langmuir's summer cottage on the lake front and will make Oakville his permanent home.

The Nisbet homestead property has been sold to W. Machaffie, of the Home Bank head office, Toronto

Captain Chas Bauckham, Toronto, has purchased the Carson cottage opposite the Village Inn.

TWO LARGE SALES.

Apartment House Blocks Change Hands Twice in Montreal.

Among recent realty tranfers in Montreal occurred the following:—

George Rabinovitch sold to Broad Realty, Limited, lots 179-165 and 166 and lots 179-163 and 164, parish of Montreal, each measuring 25 x 95 ft., with building known as "Addington," fronting on Addington avenue, Westmount Plateau, Notre Dame de Grace Ward, for $102,500.

Broad Realty, Limited, sold to John Williamson, lots 179-165 and 166 and lots 179-163 and 164, parish of Montreal, each measuring 25 x 95 feet, with buildings "Kitchener," on Westmount Plateau, in Notre Dame de Grace Ward, and the "Addington," in Notre Dame de Grace Ward, Westmount Plateau, for $97,500.

COST OF BUILDING.

In Regina Advances During the Year by Ten to Fifteen Per Cent.

The cost of building a house in Regina this year has advanced from ten to fifteen per cent., according to material, in comparison with prices prevailing during 1916, according to reports made by local architects and contractors. The principal advances are due to the increased cost of plumbing installations.

One contractor stated that it would cost eleven or twelve per cent. more this year to put up a brick building than last spring, although common brick can be purchased at $11 per thousand, as compared with $13 per thousand, which was the prevailing price before the war broke out. Face brick, however, is about the same price as last year, it was stated.

While the advance in the cost of constructing a brick residence is eleven or twelve per cent., the same contractor said that it would cost fifteen per cent. more than last year to put up a frame dwelling, the difference being due to a slight increase in the price of lumber over last spring's schedule and an increase in the pay roll of the carpenters.

While brick has receded in price and plumbing has made a substantial advance, the contractors say that sand and gravel remain at about the same price as last year and that cement can be purchased at 1916 figures.

OLD RESIDENCE SOLD.

Property to Rear of Sherbrooke St., Montreal, Changes Hands.

An interesting real estate transfer in Montreal last week was that of the property on Simpson street, to the rear of the Linton Apartments, belonging to the late Justice Charbonneau, to Charles W. Trenholme. The house and grounds were once a landmark in residential Montreal, prior to the erection of the apartment house. Situated far back from Sherbrooke street, the grounds sloped gracefully upwards from the street line to the house itself. The immense stone-posted entrance to the driveway used to be flanked by two deer. It was for two generations the homestead of the Linton family. After the Linton estate sold the fronting parterre to the apartment company, Judge Charbonneau bought the residence and rear grounds at a comparatively small figure, turned the entry doors so as to make them face on Simpson street, and re-sold a part of the remaining ground at a figure which recouped him for his outlay in buying and improving the holding.

The late jurist, always a very "handy" man with tools or anything pertaining to mechanics, personally did practically all the improvement work necessitated to modernize the interior appointments of the house, which is regarded as one of the best built in Montreal. The price of the transfer was $50,000.

A housing company has been formed in Halifax to build model houses for workingmen. Stock in the company will probably sell at $50 a share.

In the Oakwood and Earlscourt sections of Toronto, on the northwest side of the city, over fifty houses are now in various stages of construction. These sections show perhaps the greatest building activity of any parts of Toronto.

A big boost to Winnipeg's building permits for May was given by the inclusion of $2,300,000 for the completion of the Manitoba Parliament Buildings.

THE B. C. MILK CONDENSING COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 27th day of April, 1917, incorporating William Alfred James Case, solicitor, James Broadbent Taylor, accountant, and William Morely Smith, Charles Lawford Valens and Cyril Middleton Smith, students-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.—(a) To manufacture, produce, acquire, purchase, sell, store, distribute, export, import and deal in by wholesale or retail or otherwise, condensed, evaporated, sterilized or preserved milk and cream and all other manufactured forms of milk or cream; to produce, acquire, purchase, sell, store, distribute, export, import and deal in by wholesale or retail or otherwise fresh milk and cream and all the products of milk or cream; to manufacture, produce, acquire, purchase, sell, store, distribute, export, import and deal in by wholesale or retail or otherwise, confectionery, butter, eggs, cheese, cocoa, chocolate, coffee, sugar, rice, cereals, fruit, vegetables, meats and soups in all their branches and all and any kinds of food or articles in the manufacture or preparation of which milk, cream, butter, eggs, cheese, cocoa, chocolate, sugar, rice, cereals, fruit, vegetables, meats or soups or their products are capable of being used or form a component part, and generally all kinds of food products; to carry on the businesses of dairying, stock raising, ranching, farming, milling, poultry keeping and market gardening in all their branches and of restaurant keepers, refreshment room proprietors and refreshment caterers in all their respective branches; (b) To manufacture, acquire, lease, purchase, sell and otherwise deal in all machinery, tools, implements, apparatus, cans, receptacles, boxes, labels and all other articles and appliances used in connection with all or any of the operations of the company or with selling and transporting the manufactured and other products of the company; (c) To acquire, lease, construct, improve, maintain, own, use, operate, sell, let and deal in dwelling houses, lodging houses and hotels; (d) To acquire, operate, manage and carry on co-operative and general supply stores and to buy, sell and deal in, at wholesale and retail, all kinds of merchandise and as agents as well as otherwise; (e) To manufacture, harvest, buy and sell ice at wholesale and retail and to deal generally in natural and artificial ice and to operate cold storage plants, storehouses and warehouses; (f) To acquire, hold, charter, operate, manage, lease, alienate, convey, repair, alter, build and equip steamers and steam, electric or gasoline launches, tugs, barges, boats or other vessels or any other boats or vessels or any interests or shares therein, and to let out to hire or charter the same to carry passengers and freight in any of the said ships or boats between such places as the company may from time to time determine and to collect moneys for fares, and for the carriage of such passengers and freight, and the doing of all such other things as are incidental or conducive to the attainment of the objects of the company and for the purposes aforesaid to carry on all or any of the businesses of carriers by land and sea, barge owners, lightermen, forwarding agents, warehousemen and wharfingers; (g) To acquire, buy, sell, manufacture, repair, alter and exchange, let on hire, export, and deal in all kinds of articles and things which may be required for the purpose of any of the said businesses or commonly supplied or dealt in by persons engaged in any such businesses or which may seem capable of being profitably dealt with in connection with any of the said businesses; (h) To provide and conduct refreshment rooms, newspaper rooms, reading and writing rooms, dressing rooms, telephones and other conveniences for the use of customers and others; (i) To grant to persons purchasing from the company tickets for the supply of milk or other commodities any special privileges and advantages, and to make arrangements with persons engaged in any trade, business or profession for the concession to the company's members, ticket-holders and their friends of any special privileges or advantages; (j) To undertake, carry on and execute transactions as financial or commercial brokers or agents and to act as general commercial agents, commission men and manufacturing agents; (k) To carry on any other business (manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with any of the above specified businesses, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (l) To co-operate in, aid in, subscribe towards or subsidize any proceeding or undertaking which may seem calculated directly or indirectly to benefit the company; (m) To manufacture, purchase or otherwise acquire, hold, own, use, sell, assign, transfer, trade, deal in and deal with goods, wares and merchandise and property of every class and description; (n) To acquire by purchase, lease or otherwise for any of the objects aforesaid, the whole or any part of the business plant, property or other assets of any corporation, association, firm or individual and to undertake and assume the liabilities thereof and pay for the same in cash, stock or securities of the company; (o) To apply for, purchase or otherwise acquire and to protect, prolong and renew patents, patent rights, trade-marks, formulae, brevets d'inventions, licenses, protections, concessions and the like, conferring or relating to any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, improve, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired; (p) To enter into partnership or into any agreement for sharing of profits or expense, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise, with any person, partnership, association or company carrying on or engaged in or about to carry on or engage in, any business or transaction which the company is authorised to carry on or engage in, or any business or transaction which may seem capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of or otherwise assist any such person, partnership, association or company, and to take or otherwise acquire shares and securities of any such partnership, association or company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same; (q) To take or otherwise acquire and hold shares in any partnership or stock or shares in any association or company having objects altogether or in part similar to those of the company or carrying on any business which may seem capable of being conducted so as directly or indirectly to benefit the company; (r) To enter into any arrangements with any governments or authorities, supreme, provincial, civic, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any statutes, ordinances, licenses, contracts, orders, regulations, decrees, rights, powers, franchises, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with the terms of the same; (s) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependents or connections of such persons, and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object; (t) To promote, form, organize, manage, develop, take interests or stock or shares in and assist financially or otherwise any partnership, association or company for the purpose of acquiring or taking over all or any of the property and liabilities of the company or for any other purpose which may seem calculated directly or indirectly to benefit the company; (u) Generally to purchase, take on lease or hire, or in exchange, license, hire, hold, use, sell, grant leases of or otherwise acquire, any real and personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business, and in particular any land, timber limits, berths, licenses, leases, claims, concessions, foreshore, buildings, easements, machinery, plant and stock-in-trade; (v) To acquire, purchase, take on lease, hire, construct, improve, own, use, maintain, operate, manage, carry out and control plant, equipment, machinery, supplies, buildings, works, shops, warehouses, manufactories, roads, ways, branches, sidings, canals, bridges, electric works, electric plant, hydraulic works, hydraulic plant, wharves, docks, piers, gas works, cables, waterworks, reservoirs, water courses, and all such other structures, works, conveniences and appliances as may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the acquisition, purchase, leasing, hiring, construction, improvement, ownership, use, maintenance, operation, management, carrying out or control thereof; (w) Where such course is required for the purposes of the company's business to divert, store, take and carry away, supply and use water from any stream, river or lake in British Columbia or elsewhere, and for that purpose to erect, build, lay and maintain dams, aqueducts, flumes, ditches or other conduit pipes and to have, use and exercise such water supply and works subject always to all local laws and regulations in that behalf; (x) Notwithstanding the provisions of Section 44 of the Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debenture stocks or other securities or obligations or any estate or interest therein; and to apply or to accept in whole or in part as consideration for, satisfaction of or security for any contract, indebtedness or obligation to or of the company, property, obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon; (y) To sell or dispose of the property or undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of The Companies Act, for shares, debentures or securities of any other partnership, association or company; (z) To remunerate any person or company for services rendered or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the company's capital or any debentures or other securities of the company, or in or about the formation or promotion of the company or the conduct of its business; (aa) To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circular, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (bb) To obtain any provisional order or Act of Parliament for enabling the company to carry any of its objects into effect or for effecting any modification of the company's constitution, or for any other purposes which may seem expedient and to oppose any proceedings or application which may seem calculated directly or indirectly to prejudice the company's interest; (cc) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (dd) To do all or any of the above things in any part of the world and as principals, agents, contractors or otherwise and by or through trustees, agents or otherwise, and either alone or in conjunction with others; (ee) To consolidate or amalgamate with any other company having objects similar in whole or in part to those of the company; (ff) To procure the company to be registered, licensed or otherwise recognized in any foreign country and to designate and appoint persons therein as attorneys or representatives of the company with full power to represent the company in all matters according to the law of such foreign country and to accept service for and on behalf of the company of any process or suit; (gg) To pay out of the funds of the company all or any of the expenses of or incidental to the formation and organization thereof; (hh) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments, and to issue receipts, negotiable or otherwise, for merchandise stored with the company; (ii) To distribute or divide any of the property or assets of the company in specie amongst the shareholders; (jj) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined; (kk) To do all such things as may seem directly or indirectly to be incidental to or conducive to or convenient or proper for the accomplishment of the purposes or the attainment of the objects of the company, or any of them, or expedient for the protection or benefit of the company; (ll) The business which the corporation is to carry on is from time to time to do any one or more of the acts and things hereinbefore set forth, any power granted in any paragraph hereof shall not be limited or restricted by reference to or inference from the terms of any other paragraph; (mm) The company may conduct its business and shall have the power to make and perform contracts of any kind or description, to acquire and dispose of any property, including the stocks, bonds and evidences of indebtedness of any other corporation or corporations, and to do any and all other acts and things and exercise any and all other powers which a co-partnership or natural person could do or exercise, and which now are or hereafter may be authorized by law. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The B.C. Milk Condensing Company, Limited," with a capital stock of one hundred and twenty thousand dollars, divided into 1,200 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 2nd day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

READE CONSTRUCTION COMPANY, LIMITED

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 19th day of May, 1917, incorporating Fred Lane, accountant, Harold Wilson Shapley, solicitor, and Alice Eleanor Higgins, Eleanor Shannon and Marion Ramsay, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To carry on the business of general contractors for the construction and equipment of public and private works, and of engineers to construct, execute, carry out, equip, improve, work, develop, administer, manage or control public works and conveniences of all kinds which expression (the generality of which is not to be limited in any way by the following) included tramways, docks, harbours, piers, wharves, canals, reservoirs, embankments, irrigations, reclamations, improvements, sewage, drainage, sanitary, water, gas, electric light, telephonic, telegraphic and power supply works and hotels, warehouses, markets and public buildings, and all other works or conveniences of public utility; (b) To form, promote subsidize and assist companies, syndicates, and partnerships of all kinds carrying on a business similar in whole or in part to that of the company; (c) To carry on for the purpose aforesaid the business of electrical, mechanical, hydraulic and civil engineers and contractors and any business in which the application of electricity or any other power is or may be useful or convenient; (d) To acquire and develop any water power, and to construct, maintain, and operate works for the generation, accumulation and distribution of light, heat and power; provided that when such business is carried on outside the property of the company it shall be subject to all provincial and municipal laws and regulations in that behalf; (e) To manufacture, construct, erect and deal in structural metal work in all the various branches thereof; (f) To manufacture, construct, and deal in iron and steel and the products thereof in all the branches thereof and to smelt and roll iron and steel of all kinds and descriptions; (g) To build, purchase, lease or otherwise acquire, hold, maintain and operate, and to sell or otherwise dispose of dredges, dredging and other plants, vessels, lighters, floats, scows, tugs, barges and generally all stock and plant, machinery and appliances necessary for the proper carrying on of any of its undertakings and for this purpose to acquire all patent rights, patent trade marks and all other similar rights and privilegs; (h) To give any guarantee for the payment of money or the performance of any obligation or undertaking of any person, firm or corporation with which the company may have dealings; (i) To furnish and provide deposits and guarantee funds required in relation to any tender or application for any contract, concession, decree, enactment, property or privileges, or in relation to the carrying out of any contract, concession, decree or enactment; (j) To carry on any other business, whether manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with the business, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (k) To sell, or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Reade Construction Company, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 22nd day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State

THE BIG 4 RANCH, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 11th day of May, 1917, incorporating John Henry Fussell and Thomas Fussell, contractors; Anne Zellit McKerrigan, accountant, Samuel Hisey, live stock and grain commission merchant, and Stanley Kitson Hisey, wholesale produce merchant, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To carry on the business of ranching; to purchase and otherwise acquire, breed, raise, improve, sell and deal in live stock of every kind and live stock products; to carry on by wholesale or otherwise the business of producers, purchasers, shippers of and dealers in agricultural products, including prepared products, live stock and farm supplies; (b) To purchase, lease, take in exchange, hire or otherwise acquire any real or personal property or any rights or privileges which the company may think necessary or convenient for the purposes of its business or capable of being profitably dealt with in connection with any of its property or rights for the time being; (c) To apply for, purchase or otherwise acquire, any grants, licenses, leases, concessions and the like, which may seem calculated directly or indirectly to benefit the company and to pay for the same in cash, shares or other securities of the company or otherwise, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account, grants, licenses, leases, concessions and the like so required; (d) To purchase, lease or otherwise acquire and to hold, exercise and enjoy in its own name, all or any of the property, franchises, good-will, rights, powers and privileges held or enjoyed by any person or firm or any company or companies, and to pay for such property, franchises, good-will, rights, powers and privileges, wholly or partly in shares of the company, wholly or partly paid-up and to undertake the liabilities of any such person, firm or company; (e) To enter into partnership or into any arrangement for sharing of profits, union of interest, cooperation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (f) To enter into any arrangement with any government or authorities, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any rights, privileges, concessions or franchises which the company may think it desirable to obtain, and to carry out, exercise, comply with or surrender any such arrangements, rights, privileges, concessions and franchises; (g) To construct, improve, maintain, work or manage any roads, ways, buildings and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or conduct thereof; (h) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (i) To sell, let or hire or otherwise deal with or dispose of the undertaking and assets of the company or any part thereof for such consideration as the company may think fit and in particular for the shares, debentures, debenture stock or other securities of any other company; (j) To remunerate any person or corporation for services rendered to the company or in or about the incorporation or organization of the company in such a manner as the company may deem expedient, and more particularly by the issue and allotment of the shares, bonds or other securities of the company, wholly or partly paid-up; (k) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, warrants and other negotiable or transferable instruments; (l) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (m) To pay out of the funds of the company all expenses of or incidental to the formation, registration and advertising of the company, or in or about the promotion of this company or the conduct of its business; (n) To carry on any other business capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (o) To do all other things incidental or conducive to the attainment of any one or more of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Big 4 Ranch, Limited," with a capital stock of sixty thousand dollars, divided into 600 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 14th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

BRITISH AMERICAN RUBBER COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 10th day of May, 1917, incorporating Gordon Edward Kellar, machinist; Edward John Swift, accountant; Rubert Kenneth Grimshaw, contractor; Lillian Frances Schilts and Lily Davis, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To acquire and carry on the business of manufacturing and selling rubber goods and supplies and generally to purchase, take on lease or otherwise acquire, hold and work any lands producing rubber trees or suitable for the planting, cultivation and growth of rubber trees, and any concessions, rights, powers and privileges over such lands and to manufacture, purchase or otherwise acquire and to sell or otherwise dispose of any or all kinds of goods, wares, chattels, and merchandise and generally to deal with all species of property, either movable or immovable, capable of being owned; (b) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (c) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorised to carry on, or possessed of property suitable for the purposes of the company; (d) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use, or any secret or other information as to any invention or process which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (e) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (f) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (g) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (h) To pay for any property, rights and things required by the company or for services rendered to the company in cash, fully paid shares of the capital stock of the company or its bonds and debentures; (i) To amalgamate with any other company having objects similar to those of this company; (j) To invest the moneys not immediately required in such securities and in such manner as may from time to time be determined; (k) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (l) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (m) To do all or any of the above things as contractors or otherwise, and either alone or in conjunction with others; (n) To purchase, lease or acquire and develop water or other power and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (o) To purchase or otherwise acquire on such terms and in such manner as the directors of the company from time to time decide, any shares of the capital stock of this company, provided that consideration therefor be paid out of the company's profits or surplus, if any, and not out of the capital of the company; (p) To pay out of the funds of the company, all costs and expenses of and incidental to the incorporation and organization of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "British American Rubber Company, Limited," with a capital stock of two hundred and fifty thousand dollars, divided into 2,500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 14th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

YOUR MONEY WOULD GROW

By investing in Safe Securities yielding from 6½% to 7½%

Particulars on Request.

Campbell, Thompson & Co.

CANADA LIFE BLDG., TORONTO

$25,000

TOWN OF NEW TORONTO

TO YIELD 5¼%

Write for information.

C. H. BURGESS & CO.

Traders Bank Building — TORONTO Canada

Anglo-French War Loan

5% Bonds, Due 15th Oct., 1920

Interest payable half-yearly. Principal and interest free from any present or future British or French taxes.

PRICE TO YIELD 7%

Send for Circular.

MacDonald, Bullock & Company

84 Bay St., Phone Adel. 1700. Toronto

W. F. Morgan Dean & Co.

INVESTMENT BANKERS

Enquiries Solicited

Bank of Hamilton Building

HAMILTON, ONT.

G. B. Perry & Co.

Government and Municipal Bonds
Local Investments

Merchants Bank Building — Hamilton, Canaad

We Solicit enquiries from Trust Companies, Bankers, Executors, Estates desiring to sell

UNLISTED SECURITIES

A. J. PATTISON, JR., & CO.

56 King St. W. Toronto

Dominion of Canada

WAR LOAN BONDS

We shall be pleased to give quotations for the purchase or sale of these Bonds.

F. H. Deacon & Co.

Members Toronto Stock Exchange

INVESTMENTS

97 Bay Street

Toronto - - Canada

ESTABLISHED 1849

BRADSTREET'S

Offices Throughout the Civilized World.

We Present a Record—Not a Prospectus.

Reputation gained by years of vigorous, conscientious and successful work.

Thomas C. Irving

General Manager Western Canada TORONTO

IMMENSE PROFIT BEING MADE BY DOMINION STEEL

Net Profits Show Over 26 Per Cent. on the Common.

BIG ALLOWANCES MADE

Earnings Nearly $13,000,000 Do Not Include Appropriations for Amortization of Munitions Plant and War Profits Taxes.

Net earnings of $12,967,873 are shown in the annual report of the Dominion Steel Corporation for the year ending March 31. Even when this is compared with earnings of $7,004,316 in the 1916 period and $3,571,058 for the year ending in 1915, the full extent of the development of the steel industry in Canada is not by any means indicated. It must be taken into consideration that in the last two years the profits have not been brought down until provision has been made for amortization of munitions plant and equipment, in addition to manufacturing, selling, and administrative expenses, and that in the last statement the figures are net after an additional allowance for the war profits taxes of 1915-16. No information is given as to the appropriation for amortization, but it may be taken that, in view of the company's conservative policy and the uncertainty as to future productive use of munitions plant and equipment, it has been large; also, in view of the high rate of earnings, the amount required for war taxes was also undoubtedly of extensive proportions. It would be interesting to the shareholders to have fuller information on these points and it would also give them an opportunity of gauging more definitely the intrinsic value of their holdings in relation to both present and future conditions.

Deducting $1,859,595 for sinking funds, depreciation, etc., and writing off $326,909 for discount on securities sold, as well as the payment of $980 preferred dividends, left net profits for distribution of $8,571,165, or 26.71 per cent. on the $32,097,000 of common stock outstanding as compared with $3,015,225 and 9.39 per cent. in the previous year.

A year's dividend arrears on the subsidiary, Dominion Iron and Steel Co.'s preferred stock, together with 1 per cent. on the corporation's common for the last quarter of the year, left a surplus of $7,900,188, or 24.6 per cent. on the common stock. Of this amount the directors decided to appropriate $3,000,000 as a special reserve to provide for construction expenditures and war profits taxes during the year, while $2,899,395 was appropriated to be applied as a write-off against an old balance of this amount carried among assets as discount on bonds sold. The surplus carried forward was, therefore, $2,400,793, which added to the $4.037,789, made a total surplus of $6,038,183. Following are comparative figures:—

Profit and Loss.

	1915	1916	1917
*Net earn...	$3,571,058	†$7,004,316	†$12,967,873
‡Sink. fd., etc.	920,093	1,192,823	1,859,595
	$2,650,965	$5,811,493	$11,108,278
Int. on bonds and loans.	1,651,522	1,590,085	1,230,203
Dis. of secs.	144,186	226,181	326,909
	$1,795,709	$1,816,266	$ 1,557,112
Net earn....	$ 855,256	$3,995,225	$ 9,551,166
Bal. forward	796,907	1,022,163	4,037,388
Avail. div...	$1,652,163	$5,017,388	$13,588,555
Stock res....	....	....	3,000,000
Dividends	630,000	980,000	1,650,977
Written off..	....	....	2,899,395
Balance ...	$1,022,163	$4,037,388	$ 6,038,395

*After manufacturing, selling and other expenses.

‡Includes maintenance and depreciation and exhaustion of minerals.

†After allowing for amortization of munitions plant and equipment, war taxes, etc.

Strong Liquid Position.

The greatly improved liquid position of the corporation is indicated by the fact that the interest on bonds and loans declined from $1,590,085 to $1,230,203, or about $360,000. In fact, during the year covered by the report there was none but bond interest paid. Further, the president, Mark Workman, explains in the course of his report that the revenues shown include a moderate sum derived from the investment surplus funds. Just how much would be interesting information to shareholders.

The Balance Sheet.

In connection with the balance sheet, which contains much interesting information regarding the company's position, Mr. Workman says:—

"The entire issue of the six per cent. five-year notes of the Corporation maturing December 1, 1918, amounting to $3,406,666.67 was called for payment on December 1, 1916, and up to the time the accounts for the year were closed all but $484,233.30 had been redeemed. These had not been presented for payment.

"The aggregate reduction in the funded and mortgage debts of the Corporation and the constituent companies during the year was $3,501,709.70. Your directors in pursuance of the policy approved by the shareholders at the last annual general meeting have undertaken measures for the extension and improvement of your properties, more particularly those of the Dominion Iron & Steel Company, Limited.

"The most important of these are the construction of two batteries of Koppers by-product coke ovens and extensive development of the iron ore mines in Newfoundland, both of which will strengthen the position of the Corporation in respect to the output of iron and steel. The whole cost of these undertakings and of others that have been authorized will not be expended during the current year, but your directors have reserved on this account and for other contingencies the sum of $3,000,000."

Analysis of the figures of the balance sheet reveal a striking improvement in the company's position. Current and working assets at the end of the year were $15,446,396, and included $4,858,167 in cash and $1,085,671 in war loans. The only current liabilities to set against them were $1,572,530 in ordinary trade accounts payable, wages, etc., $246,731 for interest accrued on bonds, and $495,977 for dividends declared payable after the close of the company's year — a total in all of $2,315,238. The proportion of current assets to current liabilities, which was four to one a year before, had risen to seven to one.

PACIFIC BURT'S GAIN IN PROFITS WAS LARGE

Did Over 50 Per Cent. Better Than in the Preceding Twelvemonth, Eclipsing Record of F. N. Burt Co.

The remarkable gain of 48 per cent. in the earnings of F. N. Burt Co. for the year 1916, has been eclipsed by the gain of the Pacific Burt Company. The annual statement just issued by the latter company shows net profits for the twelve months ending March 31, of $108,882. This is $22,873 in excess of the profits for the previous accounting period, which comprised the fifteen months ending March 31, 1916, and $37,582 in excess of the twelve months ending March 31, 1916. Comparing twelve-month with twelvemonth, the gain is about 53 per cent.

After payment of $45,500 on the preferred stock, there was left $63,382 for distribution, which is approximately 9.75 per cent. on the common. Of this amount, $13,000 was paid out in dividends on common stock and $15,000 was transferred to the real estate and plant reserve, leaving $35,382 to be carried forward, bringing the balance of profit and loss to $65,174.

President S. J. Moore states in the report that "although the profits would seem to justify an increase in the dividend rate on the common stock, the directors purpose making no change for the present, for the reason that the increased costs of materials and labor require a much larger amount of working capital than formerly. Until conditions become more nearly normal, the directors consider it prudent to continue the present rate of dividend.

The statement for the year ending March 31, 1917, together with that for the fifteen months of March 31, 1916, follows:—

	12 mons. 1917	15 mons. 1916
Net profits	$108,882	$ 86,009
Bal. forward	29,792	27,472
	$138,674	$113,481
Pref. dividends ...	$ 45,500	$ 56,875
Com. dividends ..	13,000	13,000
Written off	......	13,814
Real estate	15,000	......
Balance	65,174	29,792
	$138,674	$113,481

INTERNATIONAL HARVESTER.

Operating Income for 1916 Larger Than in Two Previous Years.

The improved conditions in the business of concerns manufacturing agricultural implements is indicated in the annual statement of the International Harvester Corporation for the year 1916. The operating income amounted to $9,771,021, compared with $6,608,466 in 1915, and $7,329,826 in 1914. In fact, it was very close to the before-the-war showing of something over $10,000,000 in 1913. The balance, after deductions for preferred dividends and interest and for reservations, amounted to $2,037,098, compared with $1,620,141 in the previous year.

Cyrus H. McCormack, president of the company, in his remarks to the stockholders, pointed out that total sales in 1916 increased nearly 24 per cent. over the preceding year, although conditions in the export trade were more difficult than at any period in the corporation's history. Referring to Canada, he stated that the country enjoyed fair crop conditions and purchased agricultural machinery more cheaply than in 1915.

The president announced that a profit sharing plan permitting employees in the United States and Canada to subscribe for profit-sharing certificates and eventually becoming stockholders, has been taken advantage of by 5,777 employees.

Letters patent have been issued increasing the capital stock of the Union Carbide Company of Canada, Limited, from two million dollars, to three million dollars.

BIG INCREASE IN BUSINESS DONE BY LYALL & SONS

Earnings for Past Fiscal Year Were $915,450.

AMORTIZATION $625,000

With This Large Sum Written Off, the Net Surplus Carried Forward Was $88,899, or 5.1 Per Cent. on Common.

The financial statement of the P. Lyall & Sons Construction Company for the year ending March 31, showed earnings of $915,450, as compared with $234,644 the previous year. After the payment of bond interest, dividends, and sinking fund, the balance, $713,800, was equivalent to 40 per cent. on the common. However, the greater part of this increase, namely $625,000, has been deducted for amortization of the company's munitions plant and equipment. The surplus remaining to be carried forward after the deduction of this large appropriation, was $88,899, as compared with $32,372 the previous year. This was equivalent to 5.1 per cent. on the common, as compared with 1.8 for the previous fiscal period.

The company's balance sheet at the end of the previous fiscal year, showed machinery and buildings in the special account representing munitions work at $376,194. This reached $1,444,286 the past year, but the writing off of $625,000 out of earnings brings the valuation down to $819,286 in the present balance sheet. In this connection the directors note that "inasmuch as the munitions work upon which the larger portion of their efforts are engaged, is outside the regular line of your company's operations, a conservative valuation should be placed on this special plant and equipment. The utilization of this plant after the war is having your directors' most earnest consideration."

Some Comparisons.

Following are profit and loss comparisons for the past three years:—

Profit and Loss.

	1916	1915	1914
Earnings	$915,449	$234,644	$209,677
Bond Int...	66,050	69,272	71,984
Sinking fd..	44,500	42,000	40,000
Pref. div...	91,000	91,000	91,000
Plant, equip..	625,000	.....	.....
Total	$826,550	$202,272	$202,984
Balance	$ 88,899	$ 32,372	$ 6,693
Previous	115,202	82,830	76,137
	$204,101	$115,202	$ 82,830

April Output Largest.

Referring to the war contracts of the company, the report of the directors, which is signed by the president, William Lyall, says:—

"Difficulties, owing to the changed requirements of the Imperial authorities, which all shell manufacturers suffered from, caused several months' non-remunerative operations, and delayed the output of the plant, reasonable capacity only having been reached in the month of December last, when these difficulties were surmounted; the April output being the best yet attained."

It is also stated that the company has a large amount of building contracts on hand, all of which are on a cost plus commission basis, and satisfactory progress is being made on all of this work.

The current liabilities, which include a suspense account, of $199,480, have increased from $1,046,556 a year ago, to $1,566,341, an increase of $520,000. The change is largely explained by the largely increased expenditure on the munitions plant, which even after the deduction for amortization stands $443,000 higher than a year ago. Current assets are up by $132,000, the increase being mainly in the accounts receivable item.

Increases in current liabilities are mainly in the shape of accounts payable and sub-contractors' balances and drawbacks. The company reduced its bank indebtedness by about $80,000.

REBATES TO MANUFACTURERS.

Substantial Draw-backs Paid to Several Industries by Government.

Replying to a question in the House of Commons, the Minister of Customs gave the following figures showing the amount of draw-backs by the Government during the last fiscal year: Cockshutt Plow Company, $10,163; International Harvester Company, $29,020; Massey-Harris Company, $97,118; Frost and Wood Company, $8,581; Ford Motor Company, $371,481; Quaker Oats Company, $231,125.

These draw-backs are allowed on finished products exported from the country. It would appear, therefore, that the Ford Company and Quaker Oats Company in particular, have been importing large amounts of raw materials, which have been turned into finished products and returned to the United States for consumption there.

YOUNG PEOPLE

are invited to open a Savings Account in The Bank of Toronto.

A Savings Account to any young man or woman will encourage thrift, and will be an assistance in saving for future use. It also acts as a deterrent against wasteful and extravagant habits.

Capital $5,000,000
Reserved Funds $6,500,000

THE BANK OF TORONTO

INCORPORATED 1855

Head Office - - TORONTO, CANADA

Paid-Up Capital - $5,000,000 Reserve Funds - - $6,500,000

DIRECTORS.

W. G. Gooderham, President.
J. Henderson, Vice-President.

William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler. Thos. F. How, General Manager. John R. Lamb, Supt. of Branches. T. A. Bird, Chief Inspector.

Bankers.—NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London City and Midland Bank, Limited.

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

Branches and Connections Throughout Canada

Head Offices and Nine Branches in Toronto

8-10 KING STREET WEST, HEAD OFFICE AND TORONTO BRANCH

78 Church Street — Cor. Bloor West and Bathurst
Cor. Queen East and Ontario — Cor. Queen West and Bathurst
236 Broadview, Cor. Wilton Ave.
1871 Dundas St., Cor. High Park Ave.
1220 Yonge St. Subway, Cor. Alcorn Ave.
Exhibition Camp, Exhibition Park.

When there is no Will

the law takes command, and regardless of your desires or the needs of your heirs, settles how your property shall be divided. One inflexible rule applies in every such case.

Whether you have little or much, make a will—and make it NOW.

Our booklet, "I Give, Devise and Bequeath," may be obtained at our office or will be mailed on request.

THE UNION TRUST CO., Limited

TORONTO

HENRY F. GOODERHAM, President — J. M. McWHINNEY, General Manager

THE STERLING BANK OF CANADA

The appreciation of the services rendered by this bank grows by continued association.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; Chas. A. Johnson, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

THORNTON DAVIDSON & CO.

Members Montreal Stock Exchange

STOCK AND BOND BROKERS — BONDS FOR INVESTMENT

Orders Executed On All Markets

Rooms 420-421-422 Transportation Building, Montreal, Quebec.

PLAN YOUR SUMMER VACATION—NOW

Whether Sport or Recreation is your object—either close at home or further afield. The greatest variety of Resorts to suit all tastes and all purses can be reached

CANADIAN NORTHERN ALL THE WAY

For Tickets, Reservations, Literature and Information apply to General Passenger Dep't: Toronto, Ont., Montreal, Que., or Winnipeg, Man.

CANADIAN NORTHERN RAILWAY

BIG INCREASE IN CURRENT LOANS BY THE BANKS

April Shows a War-time Record by a Wide Margin.

POSITION WELL MAINTAINED

Analysis of Government Statement, Indicates Little Reduction in Proportion of Available Assets.

The outstanding developments in the Canadian banking situation, as indicated by the Government returns of the statistics of the chartered institutions for April, is an increase of $37,469,431 in current loans. The total of the loans outstanding under this head amounted to $880,522,897, which is much larger than at any time since the outbreak of the war, being about $44,000,000 above the total in August, 1914, which total was not since surpassed until March of this year. The figures referred to indicate the part which the Canadian bank is playing in relation to extended domestic trade and to preliminary arrangements for increased agricultural production. As compared with a year ago the current loans were larger by $102,759,215.

While the figures quoted above indicate that the banks have greatly extended their service to the public, an analysis of the figures for April, compared with March and with April, 1916, showed little change as to liquid position. According to the POST'S standard, the immediately available liquid assets in April, 1917, were 31.7 per cent. of the total liability to the public; in March, 1917, the ratio was 32.9 per cent. and in April, 1916, 34.2 per cent. In both the month and the year the total of the immediately available assets show a substantial increase and the slight reduction in ratio is due to the fact that it is somewhat less in proportion to the total increase.

In addition to the increase in current loans of $37,469,431, during the month there were increases in Canadian call loans of $6,258,709; loans abroad of $2,506,995; provincial loans $2,142,005; and municipal loans of $6,054,085. When these increases are considered, in addition to the fact that the demand deposits increased by $23,160,757 there would appear to be an effective answer on the part of the banks to the complaint, at least by inference, that they had been responsible for the recent "tightness of money." Call loans abroad are lower by $2,460,681. A comparison of the same items in the April statement with those in the statement of April, 1916, will also give emphatic indication of the increased facilities for credit which the banks have provided.

Deposits continue to be an important factor in the increase in the available funds which the banks have to work on. The increase in the month of April was $9,343,783 and in the year $195,840,097. An interesting feature of the April statement as compared with March, however, was that there was a decline in savings deposits as compared with the usual increase. This decline amounted to $13,816,974, largely offsetting the increase in the demand deposits. For the year the big increase was in the savings, which item was larger by $126,588,767 compared with the increase in demand deposits of $69,251,330.

Financing War Orders.

There are some interesting indications of the part which the banks have been playing in financing war business. For instance there is an increase in the holding of public securities, which item includes British treasury bills, of $85,572,260. On the other hand it will be noted that a liability to the Imperial Government of $24,035,500 shown in the April, 1916, statement has been liquidated. Another indication of Government war financing would appear to be in the increased holdings of Government securities from $26,028,087 in April, 1916, to $113,592,312 in April of this year. In the accompanying table will be found an analysis and comparison of the statements of April and March of this year and of April, 1916. The comparison provides the ground work upon which many interesting conclusions and deductions may be based.

FAVORS PRIVATE SERVICE.

Manager of Electric Plant Recommends City to Change System.

The manager of the municipal electric plant at Concord, Mass., A. W. Lee, in his annual report recommended that the city might get better results by going over to private service rather than by plunging itself deeper into its financial pockets to make extensions and betterments needed to put the plant in satisfactory condition.

"It is possible," said he, "a much better and simpler solution of the entire problem would be to contract with the Edison Electric Illuminating Company (of Boston) for a portion or all of the current required by our plant."

And here were four reasons he gave for "the faith that was in him":

1. A certain amount of capital now invested in the generating plant will be released and may be utilized for outside construction or used to reduce the debt of the plant.

2. Lower cost per kilowatt hour for energy on the switchboard.

3. No money tied up in fuel for months at a time and the prospect for higher fuel prices eliminated.

4. No large supplies of materials and repairs for steam plant and oil and waste and the further saving because such material is constantly advancing in price.

Beauchemin & Fils, Limited, steel founders and engineers, of Sorel, Que., have recently received an order from the British Munitions Board for winches, which will amount to approximately $300,000.

ANALYSIS OF BANK STATEMENT FOR APRIL

	April, 1917	Mar., 1917	Ch. in Mon.	April, 1916	Ch. in Yr
ASSETS.					
Immediately Available Liquid Resources.					
1. Specie	$74,390,447	$72,135,431+	$2,255,016	$66,336,559+	$8,053,888
2. Dominion notes ..	132,804,036	137,401,577—	4,597,541	147,479,821—	14,675,785
4. Gold reserve	41,150,000	35,200,000+	5,950,000	14,410,000+	26,740,000
9. M. K. Banks	25,222,842	15,167,906+	10,054,936	21,504,535+	3,718,307
10. Foreign banks ...	41,650,972	51,359,958—	9,708,986	114,804,744—	73,153,772
11. Gov. Securities ..	113,592,312	110,876,373+	2,715,939	26,028,087+	87,564,225
15. Call loans ab'd ..	159,156,054	161,616,735—	2,460,681	147,146,443+	12,009,611
	$587,966,663	$583,757,980+	$4,208,683	$537,710,189+	$50,256,474
Ratio liab. to public..	31.7	32.9—	1.2	34.2—	2.5
Loans and Securities Other Than Those of Canadian Governments.					
12. Public securities...	$178,624,830	$178,893,152—	$268,322	$93,052,570+	$85,572,260
13. Railway securities.	58,913,952	61,431,416—	2,517,464	71,557,389—	12,643,437
14. Canadian call......	82,737,417	76,478,708+	6,258,709	82,527,448+	209,970
16. Current loans.....	880,523,897	843,054,466+	37,469,431	777,764,682+	102,759,215
17. Loans abroad	86,058,220	83,551,225+	2,506,995	57,008,965+	29,049,225
19. Prov. loans	4,881,196	2,739,191+	2,142,005	4,141,960+	739,236
20. Municipal	35,931,996	29,877,911+	6,054,085	44,371,050—	8,439,054
	$1,327,671,508	$1,276,026,069+	$51,645,439	$1,130,424,060+	$197,247,444
Other Assets.					
21. Overdue debts	$ 5,204,216	$ 5,322,395—	$ 118,179	$ 6,518,030—	$ 1,313,814
22. Real estate	5,583,860	5,805,016—	221,156	4,929,089+	654,771
23. Mortgages	1,853,572	1,855,553—	1,981	1,604,768+	248,804
24. Premises	49,980,909	49,967,852+	13,057	49,073,625+	907,284
25. Letters of credit..	10,263,216	10,954,633—	691,417	9,824,686+	438,530
26. Other assets	2,362,921	4,000,681—	1,637,760	2,544,214—	181,293
	$75,248,694	$ 77,906,130—	$2,657,436	$74,494,412+	$ 754,282
Total	$1,990,886,865	$1,937,690,179+	$53,196,686	$1,742,628,665+	$248,258,200
3. Note cir. dep.	6,871,015	6,868,528+	2,487	6,726,663+	144,352
5-8 Inter. bank bal. ..	110,738,470	81,359,374+	29,379,096	76,026,314+	34,712,156
Gross	$2,108,496,350	$2,025,918,081+	$82,578,269	$1,825,381,642+	$283,114,708
LIABILITIES TO THE PUBLIC.					
Liability to Governments and Circulation.					
1. Circulation	$145,550,619	$148,265,140—	$2,714,521	$119,333,330+	$26,317,289
2. Dominion Govt....	93,729,638	45,934,629+	47,795,009	24,666,509+	69,063,129
3. Provincial Govt. ..	22,416,890	22,231,364+	185,526	20,556,783+	1,860,107
Deposits by Public.					
4. Demand dep.	$471,312,285	$448,151,58+	$23,160,757	$402,060,955+	$69,251,330
5. Savings dep.	874,948,724	888,765,698—	13,816,974	748,359,957+	126,588,767
Total Can......	$1,346,261,009	$1,336,917,226+	$9,343,783	$1,150,420,912+	$195,840,097
6. Foreign	183,022,686	170,253,362+	12,769,324	192,046,591—	9,018,905
Due to Banks Abroad, Etc.					
9. United Kingdom ..	$ 2,739,544	$ 2,286,268+	$ 453,276	$ 4,244,110—	$ 1,504,566
10. Foreign	31,509,322	24,508,764+	7,000,558	20,332,801+	11,176,521
11. Bills payable	5,961,640	7,949,711—	1,988,071	6,423,799—	462,159
12. Acceptances	10,263,216	10,954,633—	691,417	9,824,686+	438,530
13. Other liabilities ...	14,155,574	2,696,631+	11,458,943	3,310,697+	10,844,877
14. Bal. due Imp. Govt.	....	....	....	24,035,500—	24,035,500
Public liability ..	$1,855,610,138	$1,771,997,728+	$83,612,410	$1,575,090,718+	$280,519,420
8. Due between banks.	$ 7,432,929	$ 6,896,413+	536,516	8,832,866—	1,399,937
Gross	$1,863,043,067	$1,778,894,141+	$84,148,926	$1,583,923,584+	$279,119,483

THE SPECULATOR HAS A RELATION TO ECONOMICS

Is a Factor in Establishment of True Values.

FINANCES FUTURE SUPPLIES

Professor of Economics Points Out That "Speculator" Provides the Capital by Which Products are Financed From Season to Season

By R. M. Anderson, Jr., Ph.D., Assistant Professor of Economics, Harvard University.

Economists are pretty well agreed that normally the speculator performs certain vital functions. It is customary to point out that speculation to be socially useful must ordinarily be competitive. No economist defends the efforts of a Leiter to "corner" the wheat market, or any other effort to get so much of a commodity under a unified control that the group controlling it can dictate prices. The functions of competitive speculation ordinarily emphasized by economists are:

1. The creation of time-values, as by carrying wheat over from the time of abundance to the time of scarcity.
2. The leveling of prices throughout the year, giving higher prices to the producer at the time of harvest and lower prices to the consumer later in the year.
3. The risk-bearing function.
4. The directive or regulating function.

To these should be added a fifth, not so widely emphasized in discussions in America, though well recognized by writers who deal with the London market, namely, that speculators make it safe for banks to finance commodities in transit, and commodities held for a later season, by making a ready market for them, and so making "paper" based upon them "liquid."

I wish to explain these functions briefly, and to raise the question as to how far the present situation represents a breakdown of the normal theory.

Aids in Providing Capital

The first two functions are closely connected. The man who carries ice over from Winter to Summer creates time-values. His work involves two elements. For one thing, there is the physical storing of the ice. But there is, further, the financing of the operation, the providing of capital to pay for the work done in the Winter, when the return is not to come till the Summer. Some one must meet the interest charge on this. There are further elements of uncertainty; it may be a cold summer, and the operation may not prove a paying one. Some one must bear this risk.

Now the grain speculator is not concerned with the work of storing the grain in an elevator. His task is to provide capital to carry it, and to bear the risk that is involved in carrying it. In practice, as a result of the active market which speculation creates, speculators need provide only a part of the capital, a "margin." Banks and brokers can safely provide the rest because the commodities are so marketable. But the work of the speculator is needed to get the capital provided. Banks would not, and could not assume the risk involved in providing it all.

Let us assume a market which would buy 100,000 bushels of wheat at 40 cents per bushel, or 80,000 bushels at 80 cents, or 60,000 at $1.10, or 40,000 at $2, or 20,000 bushels at $4.

Let us assume that at the harvest time the farmers all sell their wheat, 100,000 bushels, at what they can get, namely, 40 cents. Farmers are discouraged. Next year, many of them will not plant wheat. Wheat is wasted. It is fed to the hogs. Millers handle it carelessly. It is cheap. Bread is thrown away. It is cheap. Six months later, there is a famine. There are only 20,000 bushels on the market. Wheat is selling at $4 per bushel. People are hungry. Now if, in the period of the harvest, a speculator sees these possibilities, and buys 20,000 bushels of grain, takes it out of the market, and then, in the time of famine, puts it back upon the market, he has performed a highly important social service. He has taken wheat away from the hogs, and fed it to human beings. He has created time-values. He has prevented the waste of bread in the time of plenty, that there may be enough bread in what would otherwise be a time of famine. Moreover, he has raised the price to the farmers. He cannot buy 20,000 bushels of wheat at 40 cents. As he buys, he forces the price up gradually, till it reaches 80 cents. He buys at an average price of, say, 60 cents. Later, when he puts it back on the market, he cannot sell it at $4. As he sells he reduces the price gradually till it reaches $2. He sells at an average price of, say, $3, making wheat cheaper for consumers. His own profits are, of course, large—the difference between 60 cents and $3 on 20,000 bushels.

But suppose we have a number of speculators competing with him for these profits. In an organized competitive market, there can be only one price at a given time, and if the speculators take off 20,000 bushels, they will force the price up at once to 80 cents, and will all pay 80 cents. Later, if they put their 20,000 bushels back, the price will drop at once to $2, and they will all sell at that price. Thus, competition at once cuts the margin of gain, with the same amount taken off. However, even this profit will tempt further competition; more than 20,000 bushels will be taken off, and later put back.

Competitive speculation tends so to level prices throughout the year that the margin of profit from carrying grain does not ordinarily exceed the interest, insurance, storage, rottage, and other expenses involved, with very moderate compensation indeed for risk from price changes.

Speculation and the Farmer

This theory has long been accepted by economists. Nor is it a matter of theory merely. If any one is skeptical as to the actual working out of the theory, I would refer him to the conclusive demonstration recently offered by Dr. Jesse E. Pope, formerly Chief Examiner for the Tariff Board, in The Quarterly Journal of Economics for August, 1916, under the title, "Can the Farmer Realize Higher Prices for his Crops by Holding Them?" Dr. Pope presents data regarding the major crops, wheat, corn, cotton, oats, &c., for a ten-year period, contrasting prices at harvest time with prices in later months. His conclusion is clear that on the ten-year average the farmer could not possibly gain, year in and year out, by holding his crops. There is a minor exception in the case of one of the minor grains, where speculation does its work less perfectly, where by holding for two months the farmer would gain something, on the average. But there are few theorems of economics for which so clear a statistical demonstration can be given. How far speculation has failed at this point during the current period we shall later consider.

The risk-bearing function is scarcely less important. The grain buyer, who deals directly with the farmer, and the miller both need insurance against the fluctuating prices of grain. Their business would be far too risky, and the amount of capital involved would be too great, if they could not protect themselves in some way against uncertainties. Few things could be more uncertain than the supply of wheat. The demand is fairly constant, in ordinary times, but the supply is at the mercy of weather and pests in all parts of the earth—Southern Russia, India, Australia, Argentina, Canada, and wide areas of the United States. Wheat is being planted or harvested somewhere in the world almost every month.

Buying wheat to grind, with the prospect that wheat may go down, and with the wheat flour, by the time the wheat is ground up, is not inviting to a miller. He has, of course, the chance that wheat may go up, taking flour with it, but he wishes to eliminate chance from his business, and make his profits out of grinding grain. To do this he resorts to short selling. For every bushel he has to grind he sells short a bushel for future delivery. When his wheat is ground, he sells the flour, and buys wheat to cover his short contract. If wheat has gone down, he loses on the wheat he has ground, but he makes profits correspondingly on his short sale. If wheat and flour have gone up he makes extra profits on the wheat he has ground, but he loses correspondingly on his short sale. In a word, he has tied two operations together which must neutralize one another, leaving him free from worry about the course of the market, and free to concentrate his attention on his own proper profit, in the differential between wheat and flour.

How it Helps Buyers

Similarly, the buyer out among the farmers, by selling short in St. Louis as he buys in Central Missouri, is able to concentrate his attention on the simpler problem of getting his wheat from the farms to the market in the most efficient manner. By short selling, he avoids risk. The professional speculator, watching the ticker, getting news every minute from all parts of the world, is vastly better qualified to bear these risks than is the miller or buyer in the country.

Within the last two weeks a demonstration on this point has been given, when short selling was stopped at Winnipeg. The flow of grain from the farms was immediately checked, since buyers were afraid to buy from the farmers unless they could "hedge" at Winnipeg. The prohibition had to be removed.

Most important of all these functions, perhaps, is the fourth, the directive function of speculation. Under a system of private enterprise, production is guided by prices. Higher prices of wheat mean more wheat planted, and tend to check consumption. Falling prices are a signal for turning the land to some other crop, or leaving it fallow, and are a signal for labor and capital to turn to some other form of production. Falling

Continued on page 18.

ANNUAL REPORT OF P. Lyall & Sons Construction Company, Limited

FOR YEAR ENDING MARCH 31, 1917

WILLIAM LYALL, *President and Managing Director.*
TRAILL OMAN LYALL, *Vice-President and Treasurer.*
J. N. GREENSHIELDS, K.C. JOHN McKERGOW
H. W. BEAUCLERK HUGH MACKAY

The Annual General Meeting of Shareholders of P. LYALL & SONS CONSTRUCTION COMPANY, LIMITED, will be held at Room 709, Transportation Building, Montreal, on Tuesday, the fifth day of June, 1917, at 3 o'clock p.m., for the reception of the Annual Report, Election of Directors for the ensuing year, and for the transaction of such other business as may legally be brought before the Meeting.

By Order of the Board,
ROBERT WHYTE, Secretary.

PROFIT AND LOSS ACCOUNT
As at March 31st, 1917

EARNINGS:		
After deducting Rent, Insurance, Taxes, General Expense, etc.		$915,449.77
APPROPRIATED AS FOLLOWS:		
Bond Interest to end of fiscal year...	$ 66,050.00	
Preferred Dividend to end of fiscal year	91,000.00	
Appropriated for Sinking Fund Bond Redemption	44,500.00	
Amortization of Munition Plant and Equipment	625,000.00	
		826,550.00
		$ 88,899.77
Amount at Credit of Profit and Loss, year ending March 31st, 1916......		115,202.83
Surplus......		$204,102.60

Audited and Verified,
WRIGHT & KINGAN,
per Gordon B. Kingan, C.A., Auditors.

FINANCIAL STATEMENT
As at March 31st, 1917

ASSETS

Plant:—Montreal, Ottawa, Toronto and Winnipeg	$ 326,313.84	
Buildings, Montreal	153,322.65	
Real Estate, Montreal and Winnipeg ...	724,695.52	
		$1,204,332.01
Machinery and Buildings, Munitions Account	$1,444,286.12	
Less Amortization of Munition Machinery and Equipment	625,000.00	
		819,286.12
Furniture and Fixtures		6,180.84
Patents, Rights, Goodwill, etc.		1,783,500.89
Cash on Hand, Bank, Head Office and Branches		77,989.94
Open Accounts Receivable		716,260.88
Securities		1,220,772.13
Stock on hand, and Work in Progress		204,665.77
Miscellaneous Assets		37,458.75
		$6,070,446.33

LIABILITIES

CAPITAL STOCK		
7% Cumulative Preferred, Authorized 15,000 shares of $100.00 each...	$1,500,000.00	
Issued		$1,300,000.00
Common; authorized 17,500 shares of $100 each	1,750,000.00	
Issued		1,750,000.00
SIX PER CENT. FIRST MORTGAGE		
Twenty Year, Gold Bonds, authorized and issued	1,250,000.00	
Less, Bonds retired.........	164,000.00	
		1,086,000.00
Open Accounts Payable		391,812.18
Accrued Wages to end of Fiscal Year		56,001.00
Sub-Contractors' Balances and Drawbacks		455,218.70
Bills Payable and Bank Loans		437,804.97
Contingent Suspense Account		199,480.22
Accrued Interest on Bonds to end of Fiscal Year		10,860.00
Accrued Dividends Preferred Stock to end of Fiscal Year		15,166.66
Appropriation for Sinking Fund Bond Redemption		164,000.00
ADD		
Earnings as per Profit and Loss Statement	$915,449.77	
LESS		
Bond Interest .... $ 66,050.00		
Preferred Dividends......... 91,000.00		
Appropriation for Sinking Fund 44,500.00		
Amortization of Munition Plant 625,000.00		
	826,550.00	
	88,899.77	
Amount at Credit of Profit and Loss, March 31st, 1916.........	115,202.83	
		204,102.60
		$6,070,446.33

Audited and found in accordance with the books and vouchers of the Company. The stocks in Trade have been inventoried and certified to by the proper officers. We have examined the Stocks and Securities. All our requirements as Auditors have been complied with.

WRIGHT & KINGAN,
per Gordon B. Kingan, C.A., Auditors.

DIRECTORS' REPORT TO THE SHAREHOLDERS.

Montreal, May 18th, 1917.

Gentlemen:—

Your Directors have pleasure in submitting the Fifth Annual Statement of your Company, for the year ending March 31st, 1917.

Difficulties, owing to the changed requirements of the Imperial authorities, which all shell manufacturers suffered from, caused several months non-remunerative operations, and delayed the output of the plant, reasonable capacity only having been reached in the month of December last, when these difficulties were surmounted; the April output being the best yet attained.

You will see by the Financial Statement, that the gross earnings were $915,449.75, from which was deducted, Bond Interest, $66,050.00; Sinking Fund Bond Redemption, $44,500.00; Preferred Stock Dividends, $91,000.00, and the sum of $625,000.00 towards the amortization of the munitions plant and equipment, leaving a surplus of $88,899.75 to be added to the present balance at the credit of Profit and Loss, making the total surplus $204,102.60.

Your Directors feel that, inasmuch as the munitions work, upon which the larger portion of their efforts are engaged, being outside the regular line of your Company's operations, a conservative valuation should be placed on this special plant and equipment. The utilization of this plant after the War is having your Directors' most earnest consideration.

The Company has a large amount of building contracts on hand, all of which are on a cost plus commission basis, and satisfactory progress is being made on all this work.

It is with deep regret that your Directors have to report the death of the Hon. Robert Mackay, during the present year. He was a Director of the Company since its inception. Mr. Hugh Mackay was elected to fill the vacancy on the Board.

It gives the Board pleasure to testify to the admirable manner in which the Staff and General Organization of the Company have assisted in securing the results obtained during the past year.

Submitted on behalf of the Directors.

WILLIAM LYALL, President.

CANADIAN CAR REPORT SHOWS AN IMPROVEMENT

Net Profits For the Past Fiscal Year Were $353,255.

4.7 ON PREFERRED STOCK

Money Advanced New York Agency Has All Been Paid Back—Company Now Has $25,000,000 Orders on Hand.

Naturally the most satisfactory feature of the annual statement of the Canadian Car & Foundry Company is the intimation that the parent company has now received back from the New York Agency all the money that had been advanced in connection with the carrying out of the Russian contracts. Now that the entire money advanced has been returned, it will mean that from now on any additional sums that are forwarded from the agency of the parent company will represent profits on this big transaction which has so occupied the attention of the officials of the company. Results of recent adjustments are said to have been coming forward in a very satisfactory manner. From a shareholders' standpoint the next important feature perhaps, is the value of the total orders on hand. At the end of the fiscal year the value of the total orders of the parent company and its subsidiaries was placed at about $23,500,000, while to-day it is understood that the value of the orders on hand in regular lines in Canada is in excess of $25,000,000.

The somewhat belated financial statement of the company shows net profits for the fiscal year ending September 30th last, were $353,255, as compared with a deficit of $558,471, for the previous year, and a deficit of $65,808 for the year ending September 30th, 1914. In 1913 the profits of the company were $1,721,653. Last year's net profits were equivalent to 4.7 on the preferred stock of the company.

The concrete results of the company's operations unquestionably fall short of the expectations aroused earlier in the year, but the improvement over the previous two years is very considerable and to that extent is gratifying. The statements contained in the directors' report would appear to indicate that had the results of the Russian contracts been included in the statement the showing would have been more satisfactory to the shareholders. The directors announce that they expect to be able to make a statement in that connection at the annual meeting on July 1st.

"It is the opinion of your directors," continues the report, "that the results from the Russian shell contracts and the ordinary business, as evidenced by the orders now on hand, will place your company in a very satisfactory position."

War munition orders were the chief factor in the company's operations during the fiscal year under review. The expenditures in connection with this work amounted to approximately $779,000, and it is explained that they were necessary to enable the company to successfully engage in the work. These expenditures have been charged against earnings, and the sum of $600,000 was written off during the year.

Profit and Loss Comparisons.

The balance, together with an additional expenditure authorized since the close of the fiscal year, will be charged against earnings in its entirety. Following are some profit and loss comparisons for the past three years:

	1916.	1915.	1914.
Profits	$1,292,104	$ 321,839	$ 673,035
Deprec.	350,000	325,000	278,076
Balance	$ 942,104	*$ 3,160	$ 394,958
Bond int.	588,848	555,311	460,767
Balance	$ 353,255	*$ 558,471	*$ 65,808
Pref. div.	......	......	367,500
Balance	$ 353,255	*$ 558,471	*$ 433,308
Com. div.	......	......	159,000
Balance	$ 353,255	*$ 558,471	*$ 592,308
Prev. balance.	1,073,798	1,632,269	2,224,578
Surplus	$1,427,054	$1,073,798	$1,632,269

*Deficit.

The combined output of the Canadian Car & Foundry Company and its subsidiaries for the past fiscal year, exclusive of the Russian shell contracts was approximately $14,300,000 in value, as compared with $5,500,000 for the previous fiscal year, $11,100,000 for 1914, and $27,000,000 for the year 1913.

That the profits for the year were less than anticipated, is attributed by the directors to an initial loss in the company's export trade—an experience it is observed, "which has been generally shared by exporters of railway equipment as the inspection and finish required on foreign equipment, even during the present abnormal conditions are far more exacting than is required by Canadian and American railways; the knowledge and experience gained, however, is now enabling us to produce export work with a reasonable profit. We have a good volume of such business now on our books and confidently expect a fair share of the orders which may be placed this year."

In pointing out that the railway purchases of equipment for the past two and a half years have been far below normal requirements, Senator Curry, the president, in his report for the directors, states a fact that is common knowledge, and one that will have significance in considering the company's prospects for the future. The failure of the railways to order needed equipment is attributed to the high cost of labor and materials.

Paid Off $1,000,000.

As previously stated by the FINANCIAL POST, the $1,000,000 one-year notes issued by the company's subsidiary, the Canadian Steel Foundries, Ltd., have all been retired $440,000 having been paid off at the close of the fiscal year from the earnings of Steel Foundries. A further amount of $60,000 was paid in October, 1916, and arrangements were made for the renewal of $500,000, which has also been paid off out of Steel Foundry earnings.

As already explained, the item of $3,621,351, representing a loan to the company's agency in New York has been returned since the balance sheet was drawn up, and probably has been absorbed in the liquidation of advances by the company's bankers.

Without taking this into consideration, the statement showed current assets at the end of the year of $6,407,980, against current liabilities of $4,769,469. An item of $3,718,980, being liabilities in connection with

Continued on page 19.

OUR APPALLING DEBT

A startling statement of the manner in which national debts are piling up and showing the obligation upon the head of every Canadian family will be between $400 and $500 a year for interest—and a demand that public affairs be placed in the hands of capable and efficient executives and administrators.

Reduction of War Taxes.—The Minister of Finance announces that increase only applies for one year necessarily and admits that the system of taxation is not suited to peace times and, therefore, not economically sound. Further evidence of the harm being wrought in discouraging investment of capital and industrial development.

What a Food Controller Should Do.—An interesting statement to The Financial Post by Mark Bredin, manager of the Canada Bread Company, with suggestions as to steps he would recommend that the Government should take in connection with this vexed problem.

Lagging of the Liberty Loan.—A characteristic view of how the big war flotation was received by financiers and public in the United States. Written for The Post by Agnes C. Laut.

Universal Steel Dividend.—First announcement that the Universal Tool Steel Company would pay another two per cent. interim dividend upon its common stock was but one interesting item contained in fourteen columns of live news of securities in which Canadian investors are interested.

Agricultural Situation, Business Outlook, Investors' Information, Bank Clearings, Industrial and Bank Reviews, Bond, Real Estate, Municipal and Insurance Departments, etc.

THE FINANCIAL POST

The Canadian Newspaper for Investors

Send for free sample copy to the Publishers, or sign and mail attached coupon

THE FINANCIAL POST OF CANADA
143-153 University Avenue, Toronto.

..............................1917

Please enter me as a regular subscriber, commencing at once. If I am satisfied with the paper I will remit $3.00 to pay for my subscription on receipt of bill.

Name..............................

Address..............................

CONVERTERS HAD RECORD YEAR $204,004 PROFITS

High Figure Established Last Year Has Been Exceeded by 46 Per Cent.

NOW IN STRONG POSITION

Conservative Handling Has Reversed Position of 1915 Bank Loans Down to Low Figure—Net Improvement of $149,000.

The financial statement of the Canadian Converters' Company for the fiscal year ending April 30th, which was sent out to the shareholders on Thursday of this week, makes very pleasant reading, showing as it does, net profits of $204,004.93, before making provision for depreciation and war tax, as compared with $140,223 the previous year, an increase of 46 per cent.

After making provision for bond interest, and an increased sum for depreciation, as well as for the recently removed dividend on the common stock at the rate of four per cent. per annum, there was a surplus for the year of $122,079, as compared with $98,062, the previous year.

The balance now at the credit of profit and loss account, all of which is available for dividends, is $297,207.08. This is sufficient to pay the four per cent. dividend on the company's common stocks of $1,733,500 for nearly five years.

As the land interest requirements only amount to $23,940, there being no preferred stock, it will be seen that the surplus available for dividends before allowing for depreciation, is approximately 10 per cent. After allowing for depreciation it amounts to about 8.4 per cent.

A careful perusal of the company's financial statements shows that the common stock now has an equity behind it of over $60 per share.

Profit and Loss.

	1916-17	1915-16	1914-15
Years' profits	$204,005	$140,223	$ 41,628
Deduct—			
Bond interest	23,940	23,940	24,465
Depreciation	27,000	17,500	7,500
Bad debts and taxes	13,652	9,621	36,092
Dividend	17,335	......	52,005
Total deduction	$ 81,927	$ 51,161	$120,063
Surplus	122,078	98,062	78,434
Prev. bal.	175,029	85,967	164,400
Total surplus	$297,107	$175,029	$185,966

This company, while not a spectacular performer for some time, has been making very substantial progress, and under the able and progressive management of practical textile men has worked into a very satisfactory position.

History of the Company.

The Canadian Converters' Company, is a holding company, and was organized in July, 1906, taking over the following concerns:

The Standard Skirt Mfg. Co., Ltd.; John P. Black & Co., Ltd.; A. H. Sims, Company, Ltd.; and the G. H. Harrower Co., Ltd.

Prior to that time all of these concerns were carrying on practically the same line of business and the organization was effected for the purpose of reducing cost.

Since the consolidation was effected, and the management of the various concerns brought under one head, the overhead expenses have been still further reduced by discontinuing the plants of the A. H. Sims Co., Ltd.; and the G. H. Harrower Co., Ltd., and centralizing the manufacturing operations at the plants of the Standard Shirt Mfg. Co., and the John P. Black Co.

The plant of the Standard Shirt Mfg. Co., has been almost doubled in size, and two stories have been added to the plant of the John P. Black Co.

The Standard Shirt Mfg. Co., confines its operations to the manufacture of men's collars and cuffs, negligee shirts, work shirts, overalls and smocks, sheepskin and machinaw coats, men's pyjamas, boys' work suits, waists, etc. While the John P. Black Co., produces ladies' whitewear house dresses, and kimonas, children's dresses, underskirts and waists.

The entire capitalization of the company now outstanding consists of $399,000, 6 per cent. bonds, and $1,733,500 capital stock.

Bonds Redeemed.

The position of the company has been greatly improved since its organization. Underlying bonds to the amount of $150,000 have been redeemed, and $143,170.32 has been written off for depreciation. Bank loans, which have been as high as $417,165.31 are to-day down to $70,000, showing a great improvement in the working capital position.

Since 1910 the company has shown profits as follows:

April 30, 1910	$115,652
April 30, 1911	111,958
April 30, 1912	89,680
April 30, 1913	130,485
April 30, 1914	121,454
April 30, 1915	41,628
April 30, 1916	140,223
April 30, 1917	204,004

The year 1915 was the worst the company has had as owing to the war, trading profits dropped $79,826, or 66 per cent., and an allowance of $36,092 had to be made for bad debts as compared with $15,000 the previous year. The dividend was passed, but the original 4 per cent. has now been resumed.

PAY AS YOU GO.

Demand from Chatham, N.B., That Sinking Fund Bonds be Tabooed.

A voice arises in Chatham, N.B., condemning the sinking fund bond. The World, always aggressive in its policies under the editorship of J. L. Stuart, thinks the Provincial Government should refuse any longer to authorize the issue of bonds under the sinking fund plan, a plan always inadequate in its view.

"Chatham, for example," says the World, "will be called upon to redeem a $40,000 school bond issue in three years, and will have only about $5,000 in the sinking fund for that purpose. Result, a new issue of $35,000. Another school bond issue, on the serial plan, which was made twenty years ago, will be wiped off the slate entirely by this year's payment. Note the difference in result as the necessary sequence of the difference in method.

"If the $40,000 issue that is to be made for electric light reconstruction were made redeemable serially, year by year, instead of at the end of twenty years, it would be dead and buried twenty years hence. If, on the other hand, the issue be made payable at the end of twenty years, it is a sure thing, judging by experience, that there will not be a sufficient sinking fund on hand to redeem the bonds, and a new loan will have to be made for that purpose—a new loan to pay for plant that has been worn out and another loan to buy new plant, even as in the past. Redeem $2,000 of the bond issue each year, instead of monkeying with a sinking fund assessment for the purpose of redemption, and there will be no unpaid bonds to redeem at the end of twenty years."

THE SPECULATOR HAS A RELATION TO ECONOMICS

Continued from page 17.

prices of wheat and flour, moreover, mean less economical consumption.

So, in general, prices guide production, and restrict or release consumption. It is, then, a vital matter, if production and consumption are to come together, if glutted markets in some lines, and scarcity in others, with all manner of crises, bankruptcies, disorganization, and suffering, are to be avoided, that prices should tell the truth. The organization of the great speculative markets is wonderfully efficient in bringing this about. Into every broker's office, telegraphic news streams daily from every part of the world. Moreover, when secret information comes to special operators, they cannot keep it secret. They act upon it. The man who knows, in advance of others, that there is a short crop in Argentina goes into the market and buys. The price of wheat rises as a consequence. He has told it to the prices. So with men who have special information regarding Kansas, or India, or Southern Russia. They cannot keep their secrets from the prices, even though they keep them from other dealers. The prices are, thus, wiser than any man who helps to make them.

In the United States the suggestion has been made that income taxes could be evaded by firms purchasing Liberty bonds and distributing them as salaries and wages. These bonds are exempt from all taxation except state and succession taxes.

ARCHIBALD & HOLMES, LIMITED

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 18th day of May, 1917, incorporating George Hughes Archibald and Archibald Rettie Holmes, civil engineers, James Kester Archibald and Florence Blair Holmes, married women, and Hollis Hoare, bookkeeper, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire and take over as a going concern the business now carried on at the City of Toronto, in the County of York, under the style and firm of Archibald & Holmes, and all or any of the assets and liabilities of that business and the good will thereof, and of the individual members of the said firm, and all the rights and contracts now held by them subject to the obligations (if any) affecting the same, and to pay for the same in paid-up shares of this company; (b) To carry on the business of general contractors for the construction, erection, repair and alteration of public and private works, and of engineers; to construct, design, execute, carry out, equip, improve, work, develop, administer, manage, or control public or private works and conveniences of all kinds, which expression includes for greater certainty (the enumeration of which is not to restrict in any way the generality of the foregoing) railways, tramways, docks, harbors, piers, wharves, canals, reservoirs, embankments, irrigations, mills, factories, smelting works, furnaces, mines, coke ovens, quarries, reclamation improvements, sewerage, drainage, water, water power, gas, gas power, steam power, electric light, telephonic and telegraphic and power supply works, contracts for railroad works, warehouses, elevators, car and boat dumpers and all other structures for the handling of coal, ore, grain and other materials, markets and public and private buildings and all other works of public or private utility; to carry on all or any of the business of manufacturers of and dealers in tools, implements and machinery of all kinds, iron founders, metal workers, boiler workers, smiths, machinists, iron and steel converters, miners, quarrymen, colliery proprietors, manufacturers of and dealers in brick, tile, pipe, terra cotta and artificial stone, sawmill proprietors, wood workers, lumber merchants, and owners of and dealers in timber lands, limits and leases, painters, decorators, gasfitters, gasmakers, shipowners, shipbuilders, aeroplane builders, carriers, teamsters, general merchants and dealers in merchandise generally, exporters and importers, warehousemen, storekeepers, grain merchants, manufacturers of and dealers in rolling stock, hardware and contractors' supplies and building material of all kinds, and to carry on the business of builders and designers; provided, however, that this clause shall not be deemed to authorize the company to carry on the businesses of the construction and operation of railways or of telegraph or telephone lines; (c) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (d) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of the Company; (e) To apply for, purchase or otherwise acquire any patents, licenses, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (f) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (g) To enter into any arrangements with any authorities, municipal, local or otherwise that may seem conducive to the company's objects or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company (j) To purchase, take on lease or in exchange, hire or otherwise acquire any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant and stock-in-trade; (k) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons; (l) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (m) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of the company; (n) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (o) To do all or any of the above things as principal, agents, contractors, or otherwise, and either alone or in conjunction with others; (p) To do all such other things as are incidental or conducive to the attainment of the above objects and of the objects set out in the letters patent and supplementary letters patent. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere, by the name of "Archibald & Holmes, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 21st day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Urquhart, Urquhart & Page, Solicitors.

THE BARRYMORE CLOTH COMPANY, LIMITED.

PUBLIC NOTICE is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 7th day of May, 1917, incorporating Elizabeth Knox, Emma Pearl King, Mary Elizabeth Cherrier, Eva Levitt and Kate Campbell, stenographers; Harry Gordon Keen, student-at-law, and John Francis Boland, barrister-at-law, all of the City of Toronto, in the province of Ontario, for the following purposes, viz:—(a) To carry on the business of cotton doublers, weavers, linen manufacturers, cotton, cloth, jute and wool merchants, wool combers, woollen spinners, yarn merchants, stuff and silk manufacturers, bleachers and dyers and makers of vitriol, bleaching and dyeing material, and to purchase, comb, prepare, spin, dye and deal in jute, wool, cotton, silk and other fibrous substances, and to weave or otherwise manufacture, buy and sell linen, cloth and other goods and fabrics, whether textile, fiddled, netted or looped; to carry on the trade or business of manufacturing, producing, adapting, preparing, buying and selling and otherwise dealing in woollen and worsted goods and other fabrics, and to manufacture, produce, purchase, adapt, prepare, use, sell, or otherwise deal in any materials, articles or things required for, in connection with or incidental to the manufacture, use, purchase, sale of or other dealing in woollen and worsted goods and other fabrics: to manufacture or trade in property and goods of all kinds; (b) To acquire by purchase, lease or otherwise, and hold, use and improve, manage, lease, exchange, dispose of or otherwise deal with lands, tenements and hereditaments and immovables and interests therein, and to erect, alter, repair and maintain buildings upon any lands in which the company may have any interest, either as principal or agent, or upon any other lands, and to deal in building materials of all kinds; (c) To acquire and take over as going concerns or otherwise the undertakings, assets and liabilities of any person or company carrying on any business in whole or in part similar to that which the company is authorized to carry on or possessed of property suitable for the purposes of this company, and with a view thereto to acquire all or any of the shares in liabilities of such companies; (d) To carry on any other business, whether manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (e) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (f) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (g) To enter into any arrangement with any government authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (h) To establish and support or aid in the establishment and support of associations, institutions, funds, and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons and to manage, invest and deal with funds, subscriptions and other payments made by or on behalf of employees or ex-employees or of associations composed of employees or ex-employees, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (i) To promote any company or companies for the purpose of acquiring all or any of the property, rights or liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (j) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant, stock-in-trade; (k) To construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works, conveniences which may seem calculated directly or indirectly to advance the company's interests and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (l) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons; (m) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments, (n) To apply for, secure, acquire by assignment, transfer, purchase, or otherwise, and to exercise, carry out and enjoy any charter, license, power, authority, franchise, concession, rights or privilege, which any government or authority or any corporation or other public body may be empowered to grant and to pay for, aid in and contribute towards carrying the same into effect, and to appropriate any of the company's shares, bonds and assets to defray the necessary costs, charges and expenses thereof; (o) To sell, lease or otherwise dispose of the property or undertaking of the company, or any part thereof, for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of The Companies Act, for shares, debentures or securities of any other partnership, association or company; (p) Notwithstanding the provisions of section 44 of The Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal or in contract with reference to, bonds, debentures, stocks or other securities or obligations or any state or interest therein; and to apply or to accept in whole or in part as consideration or satisfaction or security for any contract, indebtedness or obligation to or of the company, property, obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon; and to apply or to accept as security for any indebtedness to the company mortgages of land or chattels upon such terms as may be agreed upon; (q) To invest and deal with the moneys of the company not immediately required, in such manner as from time to time may be determined; (r) To procure the company to be registered, licensed or otherwise recognised in any foreign country and to designate and appoint persons therein as attorneys or representatives of the company, with full power to represent the company in all matters according to the law of such foreign country, and to accept service for and on behalf of the company of any process or suit; (s) To issue the stock, bonds, debentures or other securities of the company in payment in whole or in part of any of the foregoing; (t) To raise and assist in raising money for, and to aid, by way of bonus, loan, promise, endorsement, guarantee of bonds, debentures or other securities or otherwise, any other company or corporation and to guarantee the performance of contracts by any such company, corporation, or by any other person or persons with whom the company may have business relations; (u) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (v) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (w) To do any and all things set forth as its objects as principal, agent, contractor or otherwise, and to carry out any or all of the foregoing objects as principal, agents, sub-contractors or otherwise, and by and through trustees, agents, sub-contractors or otherwise, and alone or jointly with any other corporation, association, firm or person, and to do all and everything necessary for or incidental to the accomplishment of any of the purposes or the attainment of any one or more of the objects herein enumerated or incidental to the powers herein named, or which shall at any time be necessary for or incidental to the protection or benefit of the corporation; (x) The objects specified in each paragraph hereof shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company; (y) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Barrymore Cloth Company, Limited," with a capital stock of one million dollars, divided into 10,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the secretary of State of Canada, this 9th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State

Macdonell & Boland,
2 Toronto St., Toronto,
Solicitors for applicants.

DIVIDENDS DECLARED

NORTHERN CROWN BANK

Head Office: Winnipeg

DIVIDEND NO. 17.

NOTICE is hereby given that a dividend at the rate of 5% per annum on the paid up Capital Stock of this Bank has been declared for the six months ending May 31st, 1917, and that same will be payable at its Banking House in this city, and at all its Branches on or after the 2nd day of July next to shareholders of record of the 15th day of June, 1917. The Transfer Books of the Bank will be closed from the 15th day of June to the 30th day of June, both inclusive.

By Order of the Board.

ROBERT CAMPBELL,
General Manager.

Winnipeg, May 15th, 1917.

The Royal Bank of Canada

DIVIDEND No. 119

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the Paid-up Capital Stock of this Bank, has been declared for the current quarter, and will be payable at the Bank and its Branches on and after FRIDAY, the FIRST DAY OF JUNE next, to Shareholders of record of 15th May.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., April 17, 1917.

The Bank of Nova Scotia

DIVIDEND No. 190

NOTICE is hereby given that a Dividend at the rate of fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending June 30th, and that the same will be payable on and after Tuesday, the 3rd day of July next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 18th to the 30th proximo, inclusive.

By order of the Board.

H. A. RICHARDSON,
General Manager

Halifax, N.S., May 15th, 1917.

Tooke Bros., Limited

Preferred Stock Dividend No. 18

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the Quarter ending May 31st, 1917, payable on June 16th, to Shareholders of record on the 31st May.

By order of the Board,

W. S. BARKER,
Secretary-Treasurer.

Montreal, May 21st, 1917.

Dominion Power and Transmission Company, Limited

NOTICE is hereby given that a dividend of two (2%) per cent. on the Ordinary Stock of this Company has been declared, and that the same is payable on June 15th, 1917, to holders of said stock on record May 31st, 1917.

The Transfer Books for the Ordinary Stock of the Company will be closed from June 1st, 1917, to June 15th, 1917, both days inclusive.

By order of the Board of Directors.

WM. C. HAWKINS,
Secretary.

The Windsor Hotel Co. of Montreal

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Two per cent. on the Paid-up Capital Stock of the Company has been declared, payable to Shareholders of record on the books of the Company on May 25th, 1917, and will be paid on June 1st, 1917.

JOHN DAVIDSON,
Secretary-Treasurer

Montreal, May 22nd, 1917.

The Sherwin-Williams Co. of Canada, Limited

NOTICE is hereby given that the 24th quarterly dividend of One and Three-quarters Per Cent. (1¾%), being at the rate of Seven Per Cent. (7%) per annum, upon the Preferred Stock of this Company, has been declared, payable to Shareholders of record the fifteenth day of June, 1917, and that cheques for the same will be mailed to them on the Thirtieth day of June, 1917.

Books not closed.

By order of the Board,

J. H. GORDON,
Secretary-Treasurer.

Montreal, June 1st, 1917.

McKinley-Darragh-Savage Mines of Cobalt, Ltd.

NOTICE is hereby given that the Board of Directors of this Company, at a meeting held on the 21st day of May, 1917, declared the regular quarterly dividend of three (3%) per cent., payable on the first day of July, 1917, to stockholders of record at the close of business on the 9th day of June, 1917.

The transfer books of the Company will not be closed.

McKINLEY, DARRAGH, SAVAGE MINES OF COBALT, LTD.,
HARPER SIBLEY, Treasurer.

Dated at Toronto, Ontario, May 21, 1917.

The Huron & Erie Mortgage Corporation

QUARTERLY DIVIDEND No. 119.

NOTICE IS HEREBY GIVEN that a Dividend of 3% for the quarter ending June 30th, 1917, being at the rate of TWELVE per cent. per annum upon the Paid-up Capital Stock of this Corporation, has been declared and will be payable at the Corporation's office, in this City, on and after Tuesday, July 3rd, 1917, to Shareholders of record at the close of business on June 15th, 1917.

By order of the Board.

M. AYLSWORTH,
Secretary.

London, Canada, May 29th, 1917.

The Canada Landed and National Investment Company, Limited

DIVIDEND No. 121.

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum), on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirtieth day of June, 1917, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the third day of July, 1917, to Shareholders of record at the close of business on the fifteenth day of June, 1917.

By order of the Board,

EDWARD SAUNDERS,
Managing Director.

Toronto, 23rd May, 1917.

Dominion Steel Corporation, Limited

COMMON STOCK DIVIDEND, No. 13.

A DIVIDEND at the rate of One per cent. upon the Common Stock of the Dominion Steel Corporation, Limited, has been declared, payable July 2nd, 1917, to Shareholders of record on 15th June, 1917.

Holders of Share Warrants are notified that Coupon No. 13 will be paid on and after July 2nd, 1917, on presentation at the Bank of Montreal, London, or in Montreal.

C. S. CAMERON,
Secretary.

Montreal, May 29th, 1917.

The Civic Investment & Industrial Company

NOTICE OF MEETING

THE Annual General Meeting of the Shareholders of THE CIVIC INVESTMENT & INDUSTRIAL COMPANY will be held at the Company's Offices, Room 319, Power Building, Montreal, Que., on

WEDNESDAY, the 6th Day of June, 1917

at twelve o'clock noon, for the reception of the Annual Report, Election of Directors and the transaction of such other business as may legally come before said meeting.

The Transfer Books of the Company will be closed from June 5th to June 6th, 1917, both days inclusive.

By Order of the Board.

C. S. BAGG,
Secretary-Treasurer.

Montreal, May 23rd, 1917.

The Montreal Light, Heat & Power Company

NOTICE OF MEETING

THE Annual General Meeting of the Shareholders of THE MONTREAL LIGHT, HEAT & POWER COMPANY will be held at the Company's Offices, Room 319, Power Building, Montreal, Que., on

Wednesday, the 6th Day of June, 1917

at 12.15 noon, for the transaction of such business as may legally come before said Meeting.

By Order of the Board.

C. S. BAGG,
Secretary-Treasurer.

Montreal, May 23rd, 1917.

The general taxes of the city of Winnipeg are to be relieved of the payment of $83,291, sinking fund levy on the $1,000,000 debenture issue for temporary extension of the waterworks system. This is due to the fact that the deficit on the waterworks operating account has been entirely wiped out and a small credit balance is expected for the year ending March 1 of this year.

BRITISH FIRE COMPANIES HAD A GOOD YEAR

Premium Income Enjoyed Advance, While Claims Were Reduced.

MARINE IS FLOURISHING

Expansion in Premium Income Reached 50 Per Cent., While Loss Ratio Remained Unchanged at 57 Per Cent.

British fire insurance companies had a satisfactory experience in 1916, according to the summarized statement of the London *Financier*. Premium income advanced on the average about 4 per cent., while claims diminished by about 9 per cent. The loss ratio was just 50 per cent., comparing with over 57 per cent. in 1915, and being the lightest since 1910. American losses were higher than in 1915, though there was no great conflagration involving claims on British companies.

"Home results, on the whole, were satisfactory, not only because losses were not unduly heavy but because premium income expanded owing to the revision of most old insurances to cover the enhanced value both of building materials and of commodities generally. As the prices of almost everything advances insurers begin to realize the desirability of being adequately protected against the loss arising from fires and the danger of being under-insured. It is, therefore, a reasonable expectation that the revenue of fire companies will continue to show expansion in the future. The increased income has been secured in spite of the loss of business in enemy countries. On the other hand, competition from that quarter has practically disappeared. German and Austrian companies have, of course, been debarred in all Allied countries, and their loss of prestige in neutral countries has given British offices opportunities for securing foreign contracts formerly obtained by enemy companies. Indeed, it is estimated that the disappearance of the latter from the scene has placed something like £2,000,000 of additional premium income at the disposal of the British companies. That addition is likely to be substantially augmented by the cessation of German and Austrian activities in the United States, to which reference is made elsewhere. British fire offices enjoy a very high reputation abroad, and rightly so. Their financial position is impregnable, and their ability to meet with comparative ease the heaviest claims has so powerfully impressed insurers in foreign countries that it is safe to predict that their position abroad will remain unchallengeable."

Marine Insurance.

In marine insurance, the past year was naturally one of great activity, and it was also a profitable year. Owing to the increasing submarine menace, companies were able substantially to increase their rates for war risks. Concurrently the volume of insurance greatly expanded in consequence of the enhanced value of hulls and cargoes.

"Marine insurance, it is no exaggeration to say, has been enjoying something in nature of a boom, and that is proved not only by the way in which new companies sprang up but by the entry into marine business of companies which left sea risks severely alone. New companies were formed, not only here but abroad. In 1915 eight of the thirteen new insurance companies registered at Somerset House were marine, while last year the marine companies claimed thirteen of the seventeen actually formed. At the same time big offices which did not previously undertake marine risks secured an opening in what appeared to be a peculiarly profitable branch of insurance by absorbing independent companies. Thus the Guardian secured control over the Reliance and the Northern control of the Indemnity. As the result of those deals there are now left only half a dozen large companies handling exclusively marine business. During the year the British General and the Century embarked in marine business, while both the British Law Fire and the Employers' Liability have since done likewise.

"The results obtained last year by marine insurance companies generally were extremely favorable, but, of course, it is quite possible, not to say probable, that the risks accepted last year will prove less profitable than those taken in 1915. However, the outcome of operations in 1916 cannot but be considered most satisfactory. The expansion in premium income was, roughly, about 50 per cent. It is interesting to observe how revenue has grown within the past two years. Thus, to take one example, the premium income of the indemnity, which was only £617,000 in 1914, advanced to £1,045,000 in 1915, and to £1,838,000 last year. The company's income was, therfore, three times as large in 1916 as in 1914. But, if revenue expanded, so did the claims the companies were called upon to satisfy. The increase in claims last year was, like the increase in revenue, about 50 per cent., and the average loss ratio was practically unchanged at 57 per cent. That is a comparatively low figure, going against 63 per cent. in 1914 and an average of nearly 73 per cent. for the quinquennial period preceding the war. It is, therefore, evident that the extra premiums charged have been ample to cover the heavier risks involved. Taking exclusively marine companies as a whole, their profits increased last year by about 36 per cent., their allocations to reserves were maintained at over £400,000 and their forward balances were increased from £982,000 to £1,322,000. From the shareholders' point of view there is no fault to be found with the outcome of last year's operations, dividends having been in most cases substantially increased and the scales of distribution recommended being, in several instances, the highest on record."

Miscellaneous Insurance.

So far as miscellaneous risks are concerned, the past year was not a particularly eventful one. Generally speaking, satisfactory progress was made. In the personal accident department, enlistments reduced the premium income, while the darkening of the streets led to more accidents. In the employers' liability section, there was increased business owing to the expansion of the munition industry Burglary insurance was heavier, on the theory that there would be more burglaries, when the lighting was reduced. In aircraft damage, a good business was transacted, though this is naturally of an ephemeral character. Motor-car insurance was on a reduced scale, owing to so many cars being laid up.

MEXICAN SITUATION.

Conflicting Reports as to Recent Developments.

Reports have recently been circulated in Wall Street that quiet and order are being restored in Mexico, that Americans are returning to resume mining and that the country's currency is being established on a metallic basis. However, the *Wall Street Journal* claims to have investigated conditions and has discovered much to the contrary. It is said that some Mexican laborers in California and other southern states are returning into Mexico for fear that they will be drafted into the American militia. This movement also hints that the German propaganda has been at work to interfere with labor and in food production in the United States. Further, it is stated that there is peace and quietness in Mexico wherever the Germans have interests, and that where they have no interests there is good ground for believing that they have stirred up labor troubles and brought on confiscatory proceedings against the American mining interests. The shutting down of four oil refineries at Tampico is believed to have been due to labor troubles of German origin. The only bank which can do business in Mexico City is a German bank. Altogether, it would appear from the *Wall Street Journal* summary that conditions are far from satisfactory in Mexico for American and British interests.

CANADIAN CAR REPORTS SHOW AN IMPROVEMENT.

Continued from page 18.

the Russian order had been wiped off the balance sheet when the books were closed.

Russian Shell Contracts.

The unfortunate combination of circumstances and chapter of accidents that resulted in the delays in completing the Russian car contract are dealt with at some length in the report of the directors, and will be of considerable interest to the shareholders of the company and the financial public.

"These contracts were within three weeks' time of completion when the fire and explosion occurred at our Kingsland, New Jersey, U.S.A., loading and assembling plant, January 11th, 1917, where the larger portion of the component parts of the shell contracts were stored and awaiting shipment to Russia.

"This disaster made necessary new negotiations and agreements for the preservation of your interests, such as insurance adjustments, salvage from the spoiled materials—a very considerable item—reclamation of various parts, settlements with subcontractors, an agreement with the United States Government for rebate of duties paid on materials destroyed, etc., and it has been found impossible to complete these settlements at this date. It has, therefore, been decided to issue a report covering our regular business, and the directors expect to be able to make a statement of the earnings from these special contracts at the annual general meeting of shareholders, which will be held on Tuesday, July 31st, 1917.

"The insurance adjustments, however, have been practically completed to our satisfaction and returns are now coming in. Shareholders will be glad to know that the money advanced by your Company to the Agency Company for the purposes of the Russian shell contracts has been returned since September 30th, 1916; the profits from these contracts, however, have not been included in the earnings of the last fiscal year, but will be included in the statement for the current fiscal year which ends on September 30th, 1917."

The combined surplus of the Canadian Car & Foundry Company and its associated companies has grown from $1,073,798 in 1915 to $1,427,054 in 1916.

Dividends and interest disbursements in the United States next month will reach $166,051,275, according to the New York Journal of Commerce. This is by far the largest total for June on record, and compares with $137,678,103 in the same month a year ago.

Imperial Bank of Canada

Forty-Second Annual Meeting of the Shareholders

Held at the Head Office, Toronto, Wednesday, May 23rd, 1917, at 12 Noon

The Forty-second Annual General Meeting of the Imperial Bank of Canada was held, in pursuance of the terms of the Charter, at the Banking House of the Institution, 23rd May, 1917.

The Report

The Directors beg to present to the Shareholders the Forty-second Annual Report and Balance Sheet of the Affairs of the Bank as on 30th April, 1917, accompanied by statement of Profit and Loss Account, giving the result of the operations for the year.

The balance at credit of Profit and Loss Account carried forward from last year was	$1,089,656 29
The net profit for the year, after making provision for bad and doubtful debts, and for rebate on unmatured bills under discount, amounted to	1,122,818 67
Making a total at credit of Profit and Loss of	$2,212,474 96
This amount has been applied as follows:	
Dividends at the rate of 12% per annum	$ 840,000 00
Annual Contribution to Officers' Pension and Guarantee Funds	7,500 00
Contributions to Patriotic and other War Funds	27,500 00
War Tax on Bank Note Circulation	67,598 76
Auditors' Fees	5,000 00
Contingent Appropriation to cover depreciation in Bonds and Debentures	100,000 00
Balance of Account carried forward	1,164,876 20
	$2,212,474 96

Branches of the Bank have been opened during the year at Iroquois Falls and Mount Dennis, Ontario; at Denholm, Laird, McLean, Pilot Butte, Ruddell and Springwater, Saskatchewan, and at New Norway and Peace River, Alberta. One branch has been closed, namely, North End Edmonton, Alberta.

The Head Office and Branches of the Bank, now numbering 128, have been carefully inspected during the year. The Auditors appointed by the Shareholders have also made their examinations as required by the Bank Act, and their report and certificate is attached to the Balance Sheet.

A further subscription of $25,000 has been made to the Canadian Patriotic Fund, and will be required during the course of the year.

The Directors have much pleasure in testifying to the loyalty, faithfulness and efficiency of the Staff.

All of which is respectfully submitted.

PELEG HOWLAND, President.

LIABILITIES.

Notes of the Bank in circulation		$ 7,656,914 00
Deposits not bearing interest	$14,845,206 10	
Deposits bearing interest, including interest accrued to date of Statement	51,354,075 12	
		66,199,281 22
Balances due to other Banks in Canada	$ 276,910 47	
Due to Banks and Banking Correspondents in the United Kingdom	1,487 10	
Deposits by and Balances due to Banks elsewhere than in Canada and the United Kingdom	1,208,659 35	
Acceptances under Letters of Credit (as per contra)	57,600 00	
		1,544,656 92
Total Liabilities to the public		$75,400,852 14
Capital Stock paid in		7,000,000 00
Reserve Fund Account	$ 7,000,000 00	
Dividend No. 107 (payable 1st May, 1917) for three months, at the rate of 12% per annum	210,000 00	
Balance of Profit and Loss Account carried forward	1,164,876 20	
		8,374,876 20
		$90,775,728 34

ASSETS.

Current Coin held by the Bank	$ 1,621,742 57	
Dominion Government Notes	9,885,832 00	
		$11,507,574 57
Deposit in the Central Gold Reserve		1,000,000 00
Deposit with the Minister for the purposes of the Circulation Fund		348,495 33
Notes of other Banks		905,817 00
Cheques on other Banks		4,129,209 19
Balances due by other Banks in Canada		376,621 51
Due from Banks and Banking Correspondents in the United Kingdom		2,078,811 63
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom		1,858,167 68
		$22,204,696 91
Dominion and Provincial Government Securities, not exceeding market value	$ 5,752,872 38	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	8,215,437 34	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	898,582 85	
		14,866,892 57
Loans to Provincial Governments	$ 28,885 52	
Loans to Cities, Towns, Municipalities and School Districts	4,510,792 69	
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	3,900,248 45	
		8,439,926 66
		$45,511,516 14
Other Current Loans and Discounts in Canada (less rebate and interest)		41,192,420 77
Liabilities of Customers under Letters of Credit (as per contra)		57,600 00
Overdue Debts (estimated loss provided for)		237,911 04
Real Estate (other than Bank premises)		389,102 55
Mortgages on Real Estate sold by the Bank		450,284 37
Bank Premises, at not more than cost, less amounts written off		2,908,083 47
Other Assets, not included in the foregoing		28,810 60
		$90,775,728 34

PELEG HOWLAND, President. E. HAY, General Manager.

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of Imperial Bank of Canada, and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on 30th April, 1917. We certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs, according to the best of our information, the explanations given to us, and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to us, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,
R. J. DILWORTH, F.C.A.,
Of Clarkson, Gordon & Dilworth.

The customary motions were made and carried unanimously.

Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year: Messrs. Peleg Howland, Elias Rogers, William Ramsay (of Bowland, Stow, Scotland); Cawthra Mulock, Hon. Richard Turner (Quebec), William Hamilton Merritt, M.D. (St. Catharines), W. J. Gage, Sir Jas. A. M. Aikins, K.C. (Winnipeg), Hon. W. J. Hanna, M.P.P., John Northway, J. F. Michie, J. W. Woods.

At a subsequent meeting of the Directors, Mr. Peleg Howland was re-elected President, and Mr. Elias Rogers Vice-President, for the ensuing year.

PELEG HOWLAND, President. E. HAY, General Manager.

Lethbridge is now the home of an insurance concern. The Farmers' Fire and Hail Insurance Co., recently incorporated by a special Act of the Alberta Legislature, has now passed the Board of Public Utilities. Word was received in Lethbridge last week authorizing the provisional directors to open stock books and proceed with the organization of the company. The company's head offices are located in the Alberta block.

U.S. ROADS UNDER CONTROL OF GOVERNMENT

Special Committee is Vested With Very Wide Powers.

BUT DOES NOT OPERATE

Individual Systems of Management of Nation's Many Railways Consolidated to Give Greater Efficiency.

Few people realize what has already happened to the railroads of the United States as a result of that country's entrance into the war. When the presidents of the leading systems agreed in Washington, on April 11, to turn their roads over absolutely to a national committee of direction, a measure of both military and economic preparation for the vicissitudes of war was taken which railroad men had supposed would require many months for its accomplishment, if, indeed, it could be done at all.

And the unanimity and completeness with which all private and sectional interests were quietly surrendered to the nation's welfare, surprised even those executives who had come to Washington with the highest hopes of what could be done. To say that this decision on the part of the men responsible for the twenty billions of capital invested in railroads marked the beginning of a new epoch in the transportation history of the country probably falls short of the truth. It is quite as likely to mean a new era in the economic development of the country, with results in the long run as important for this country as any flowing from the great war.

Contrary to popular impressions, the special committee on national defence of the American Railway Association has not taken over the management of the two hundred operating railroad companies of the United States. Its task is not to operate them, but to decide in what order our many national needs shall be served. It has at its command the transportation facilities of the country as a whole, and in directing the use made of them, determines what tonnage shall move, and where it shall go. The interest of the individual railroad in traffic or earnings is relegated to the deep rear. The patriotism, no less than the common sense, of its officers is relied upon to keep its management up to a high standard of efficiency.

Committee Smoothed Way

Until this committee took charge, every railroad naturally, and almost inevitably, consulted first the interests of its own local shippers, and of its own stockholders. Its officers had little opportunity to know the requirements of any section beyond its own traffic fields, and still less reason to serve them. They laid embargoes, much as their own disabilities or the requirements of local industries dictated and used their own equipment or that of other roads on the same principles.

So long as the transportation facilities of the country were fairly equal to its requirements the faults of this species of individualistic management gave no one much concern. But before the entrance of the United States into the war the country had come face to face with the most serious shortage of transportation in its history, one which had actually begun to limit its productive activities and gravely threatened its power to defend or even to feed itself. Since 1910 the railroads had hardly more than replaced equipment worn out in service and had added comparatively little to their track or terminal capacity. At the end of 1916, in the view of many shippers and publicists at least, the railroads of the United States had "broken down."

Whether that phrase is accurately descriptive or not is of no importance. The railroad presidents who gathered in Washington within a few days of the declaration of war with Germany realized that the moment had come to sink both sectional and private interests in the national welfare, regardless of legal sanction or precedent, regardless of profits or deficits. Unhesitatingly those who were present put their names to an agreement to accept the decisions of the committee of five and so far as is known, no railroad management has taken a contrary attitude.

The committee's work is primarily with economic rather than transportation problems. It has the map of the United States before it, receives daily a basketful of letters from shippers all over the country and is in constant touch with the heads of Government departments. The economic and military needs of the country are its sole concern. There may be an accumulation of grain at Minneapolis which prevents further shipment from the farms and country elevators of the Northwest, while eastern seaboard cities or Pennsylvania mill towns need flour. The Northwest at the same time, bare of the usual carry over of coal, is uneasy about the coming winter's fuel. Southern lumber mills cannot get cars to ship their product into the Middle West. The Government is concerned to double or treble the movement of finished steel to certain points.

All these demands and scores of others like them concentrate upon the committee of five, which acts as a national clearing house of tonnage, cars and motive power. It finds the opportunities to direct cars so that they may be loaded both ways or move by triangular courses anywhere in the country. Wherever the committee can "take up the slack" or reduce lost motion—and there are many such places—it moves to do so. Before long duplicating services, whether passenger or freight, will be curtailed to the point of actual economic requirements.

Just how individual companies may be affected by this process in the long run remains to be seen. The curious thing is that the question has not been raised. That the transportation system as a whole and its usefulness to the country will be immensely improved may safely be assumed. The arrangement is confessedly a war measure, but the prediction is already made with confidence in railroad circles that the country will never go back to the old system of complete company independence.

Plans for an organization were immediately perfected, and on April 5, Fairfax Harrison, chairman of the special committee on national defence, authorized the statement that the railroads of the United States, acting through the American Railway Association, have arranged to put at the service of the Government and to give preferential use of all facilities which may be needed for national defence. He said:—

"The plan of operation worked out here is in distinct contrast to that adopted in England at the outset of the war. There the Government immediately assumed responsibility for operation of the railroads, and exercised its authority to that end through a committee composed of the heads of the principal lines. The Government guaranteed that net earnings of the companies would continue to be what they had been before the war started.

"In this country the plan is that the Government shall advise the railroads what service it requires, and the responsibility will be upon the railroad managers to provide that service. When working to that end the railroads of the country will be operated practically as one system.

"This plan places responsibility upon experienced railroad officers for producing results, and the Government's only function in this connection is to determine what its requirements are. It is the belief of railroad companies that this will not only work for efficiency of service but for economy in operation as well.

"The above plan of co-operation between the Government and the railroads is felt to be most desirable, and the railroads are keenly appreciative of this opportunity to demonstrate to the country at large the value in time of war of railroads with elastic management.

After Spending millions of dollars, the N.C.R.

has decided to discontinue its gigantic direct-by-mail advertising department, and has sold its mailing equipment. It has done this in favor of open advertising in the Trade and Business Press, Financial Papers, Magazines and Newspapers, because, according to its own statement, it has found the press has brought better results and secured more sales than the company's direct-by-mail advertising. So in future the N.C.R.

will concentrate in the Press

THE advertisement reproduced to the right contains the N.C.R.'s official declaration of policy. An extract from this advertisement is as follows: "This is the big message the N.C.R. wishes to place before the greatest number of people at the earliest possible date. In order to do this it has abandoned direct-by-mail advertising of its machines to 1,600,000 probable purchasers in the United States and Canada, and has sold its mailing equipment in favor of open advertising in the trade press, financial papers, magazines and newspapers solely because these have brought better results and secured more sales than the former."

Important Decision in N.C.R. Advertising

NOTWITHSTANDING the impending war, the National Cash Register Company sees and feels that retailers throughout the entire country are face to face with a period of increased sales. It is time right now for all store managers to plan for quicker service, greater protection and lower operating cost if they intend to get the greatest profit out of the coming expansion of trade.

This is the big message the N. C. R. Co. wants to place before the greatest possible number of people at the earliest possible date. In order to do this it has abandoned direct-by-mail advertising of its machines to 1,600,000 probable purchasers in the United States and Canada, and has sold its mailing equipment in favor of open advertising in the trade press, financial papers, magazines and newspapers solely because the latter has brought better results and secured more sales than the former.

The present Complete N. C. R. Department Store Equipment is fast being recognized as a standard outfit and will give a maximum of efficiency, speed, safety and economy—which is precisely what will be needed by retailers who intend to gather the fullest profits of the bigger business that is now directly ahead. Full details on request.

The National Cash Register Company
Dayton, Ohio, U.S.A.

Offices in all the principal cities of the world.

THIS deliberate utterance and decision have been made after millions have been spent in trying out the best methods of selling. No other firm in the world has surpassed the N.C.R. in its advertising and selling enterprise. It had a very hard problem to solve. It did pioneer work in its own particular field of objective and effort. It had the best minds and the best organization possible to sell its product. And always its customer was a man in business—a distributor—in the aggregate about 1% of the public. So direct methods naturally looked necessary and economical; less direct methods looked wasteful and costly. But now, after years of sternest and most enlightened striving, and after millions upon millions have been spent, the N.C.R.

has abandoned direct-by-mail advertising

and has burned its bridges by selling its mailing equipment. Not only has it done this, but it comes out openly, before all the world, and declares its decision. By so doing it leaves its former methods to competitors if haply competitors care to use them. And at the same time, the N.C.R. gives freely to all others seeking the favor of distributors the costly results of its own experience: it says that if any manufacturer or other class of firm wants the attention and favor of retailers and distributors generally, this attention and favor can be won best, quickest and cheapest by using the business and public press, and class publications,

—this must impress you

BORDEN'S FARM PRODUCTS COMPANY, LIMITED.

(CORRECTED NOTICE)

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 1st day of May, 1917, incorporating William Alfred James Case, solicitor, James Broadbent Taylor, accountant, and William Morley Smith, Charles Lawford Valens and Cyril Middleton Smith, students-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.—(a) To manufacture, produce, purchase, acquire, purify, distribute, sell and deal in, from route wagons and otherwise, and by wholesale and retail and otherwise, raw milk, pasteurized and unpasteurized, condensed, preserved, malted and evaporated milk, confectionery, milk powder, dried milk, ice cream, butter, buttermilk, cream, cheese and all other manufactured forms of milk and milk products and products into the manufacture of which milk enters, eggs, fruit, vegetables and all other garden, dairy, fruit and farm products; to raise, acquire, purchase, sell and otherwise deal in cattle and other live stock; (b) To manufacture, lease, purchase, sell and otherwise deal in all wagons, machinery, tools, implements, apparatus, and all other articles and appliances used in connection with all or any of the operations of the company or with selling and transporting the manufactured and other products of the company; (c) To manufacture, harvest, buy and sell ice at wholesale and retail and to deal generally in natural and artificial ice and to operate cold storage plants, storehouses and warehouses; (d) To issue receipts, negotiable or otherwise, for merchandise stored with the company; (e) To subscribe for conditionally or unconditionally, to undertake, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds, of companies with which this company may have business relations or carrying on a similar subsidiary or other business which may be carried on so as to benefit the business of this company, its property or rights, notwithstanding the provisions of section 44 of The Companies Act; (f) To manufacture, purchase or otherwise acquire, hold, own, use, sell, assign, transfer, trade, deal in and deal with goods, wares and merchandise and property of every class and description; (g) To do any other acts and things, and to carry on any other business (whether manufacturing or otherwise) which may seem to the corporation to be calculated directly or indirectly to effectuate the aforesaid objects, to facilitate it in the transaction and prosecution of its business, or to enhance the value of its property and rights; (h) To acquire by purchase, lease, or otherwise, for any of the objects aforesaid, the business, plant and other assets of any corporation, association, firm or individual, and to undertake and assume the liabilities thereof and pay for the same in cash, stock or securities of the company, and to hold, purchase, lease, sell and convey real and personal property; (i) To acquire by purchase or otherwise, and to use, license, lease, sell or otherwise deal with letters patent, patent rights, copyrights, trade-marks and licenses or any secret or other information as to any invention or processes; (j) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company and any person or company having or about to have dealings with the company, or the carrying on of whose business is calculated directly or indirectly to benefit or assist the company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (k) To enter into any arrangements with any authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (l) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (m) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (n) To construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches or sidings on lands owned or controlled by the company, bridges, reservoirs, watercourses, wharves, mills, manufactories, warehouses, electric works, shops, stores and other works, buildings and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (o) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (p) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (q) To procure the company to be registered and recognized in any foreign country and to designate persons therein according to the laws of such foreign country to represent this company and to accept service for and on behalf of this company of any process or suit; (r) In conjunction with or in aid or promotion of any of the foregoing objects, to manufacture, generate, store, transport, utilize, sell and deal in electricity and water and all other kinds of power, to enter into contracts in respect thereof with individuals and corporations, public or private, and to construct, maintain and operate works, and to acquire and dispose of real estate and other property therefor; (s) To distribute or divide assets of the company in specie amongst the shareholders; (t) To consolidate or amalgamate with any other company having objects similar in whole or in part to those of the company; (u) Notwithstanding the provisions of section 44 of The Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein; and to apply or to accept in whole or in part as consideration for, satisfaction of or security for any contract, indebtedness or obligation to or of the company, property, obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon; (v) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (w) To do any and all things connected with or incidental to the carrying on of such objects and business or any branch or part thereof; (x) To do all or any of the above things in any part of the world and as principals, agents, contractors or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others; (y) The business which the corporation is to carry on is from time to time to do any one or more of the acts and things hereinbefore set forth, and any power granted in any paragraph hereof shall not be limited or restricted by reference to or inference from the terms of any other paragraph; (z) The company may conduct its business and shall have the power to make and perform contracts of any kind or description to acquire and dispose of any property, including the stocks, bonds and evidences of indebtedness of any other corporation or corporations, and do any and all other acts and things and exercise any and all other powers which a co-partnership or natural person could do or exercise, and which now are or hereafter may be authorized by law. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Borden's Farm Products Company, Limited," with a capital stock of two hundred and seventy-five thousand dollars, divided into 2,750 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 2nd day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State.

We own and offer for conservative investment

$15,000.00 School Municipality of the Parish of Pointe aux Trembles, P.Q.
6% Debentures due 1 May, 1942.

$25,000.00 Town of Laval de Montreal, P.Q.
6% Debentures due 1 September, 1941.

$100,000.00 Town of Pointe aux Trembles, P.Q.
6% Debentures due 1 May, 1942.
(New issue)

Price on application.

BEAUSOLEIL, LIMITED
263 St. James Street Montreal, Que.

REPRESENTATIVES, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 19th day of May, 1917, incorporating Frank Joseph Hughes and Daniel Patrick James Kelly, barristers-at-law, James Orlando Trounce and Harry Melvin, clerks, and Violet Stewart, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To deal in goods, wares and merchandise and without in any way detracting from the generality of the foregoing, in automobile trucks, automobiles, carriages and other supplies and accessories. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Representatives, Limited," with a capital stock of forty thousand dollars, divided into 400 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 21st day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State

DRESS FABRICS, LIMITED.

PUBLIC NOTICE is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 9th day of May, 1917, incorporating Edwin Smily, Mervin MacDonald and Bruce Williams, barristers-at-law, Edward Wesley Rhodes and Maurice Meyer Gordon, students-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To manufacture, sell, buy, deal in and dispose of dress fabrics, and other textile wares and merchandise of a textile character, and also dress trimmings or ornamental goods of every kind, by wholesale or by retail, or by both, and also all kinds of knitted goods intended for personal wear; (b) To acquire or to undertake the whole or any part of the business, property and any liabilities or assets of any individual, partnership, or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company, and to issue paid-up shares or bonds, or both, for the payment of the purchase price thereof; (c) To subscribe for, take up, or otherwise acquire and hold shares or stock in any other company having objects in part or altogether similar to those of the company, or carrying on any business capable of being conducted as to directly or indirectly benefit the company, and to pay for such stock or shares in cash or in shares of the company; to vote on and deal with such stock or shares in any such other company as aforesaid, and to appoint a person with power to vote on such shares of stock. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Dress Fabrics, Limited," with a capital stock of fifty thousan dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 10th day of May, 1917.

THOMAS MULVEY,
Under-Secretary of State